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EDITORIAL NOTES.

THE special memorandum which Lord George Hamilton has appended to the third of the Poor Law Reports, dealing with Scotland, is a document of great interest. In each of the three Reports the Minority have secured "the privilege of the last word." Naturally, as persons who care immensely for the problems with which they are dealing, they lose no opportunity of enforcing and expounding the remedy to which they pin their faith. However, Lord George Hamilton has not seen fit to reject this third instalment of the Minority Report, nor to prolong the sittings of the Commission into endless controversy. But, since the Majority also care immensely for the problems of Poor Relief, he has made an opportunity for reinforcing their views and criticizing those of the Minority. The last "last word" is his.

The memorandum is an excellent piece of writing, grave, moderate, and clear. It will do much to bring the Report of the Majority into favour. For their remedy is—in a good and in a bad sense—typically British. "Here is the Poor Law," they say, "and what is its object? To relieve poverty? If so, it is not succeeding. We will make certain drastic alterations in its administrative machinery, we will gather into one the dissipated forces and adjust the conflicts of the present arrangement. Then we hope the Poor Law will fulfil its object." Their recommendations are practicable, and the consequent changes easily imaginable. They propose a temporary remedy and a compromise. Most of us love both these things. And we may well be right. The whirligig of time is so instant with its revenges, that permanent reform may be a prophet's dream. The social organism is perhaps too delicate to allow of radical reconstruction.

The recommendations of the Majority, so sanely recommended by the Chairman, are likely to win confidence. If they are adopted, they will bring valuable reforms. And, indeed, the former Poor Law Commission did as much. But, supposing you have an engine that is out of date, you may patch it with new improvements, or you may consign it to the scrap heap and get a new one. The former alternative is safe and cheap; the latter is very expensive, and involves the risk that you may never learn how to work the new engine. That represents the difference between the two Reports. The Majority say that certain drastic alterations will give us more efficient machinery for relieving poverty; the Minority suggest a new machinery that is intended to abolish destitution by altering the conditions under which it arises. It is easy to laugh at the claims of the Minority Report. But it is a business-like production. The more one reads it, the clearer that becomes. Judged in abstraction from existing systems and political possibilities, no one could prefer the Majority's scheme.

Lord George Hamilton makes the defects of the Minority scheme very clear. Nor is there much use in denying them. The question is mainly one of cost. Is it better to go on indefinitely spending a little and doing a good deal, or to spend a lot for a few years in the effort to eradicate the need for future expenditure? But the recommendations of the Minority do not only mean high rates, they also mean expert, super-efficient bureaucracy, and a great deal of interference with reluctant individuals—social sores who do not want to be healed, social parasites who do not want to work or to pay, and harmless creatures with low standards of comfort or of duty. The need for more resolute State action is becoming more and more apparent; but are we yet prepared for State action on the scale suggested by the Minority? Can we provide in sufficient quantities the right sort of official? And can we yet afford to dispense with the assistance of private enterprise?

The French Civil Servants have not yet received the promised legal charter, defining their rights as well as their duties, and they are "manifesting their impatience" In fact, the Government are confronted with the whole question of representation, and the representation of public servants is the thorniest part of it It is possible to have the evils of the "spoils" system, while appearing to remain free from the disastrous American method of recruiting the Civil Service The neglect of this question of the representation of public servants has brought France within sight of national anarchy The experience of the great Municipalities and of the G.P.O. in this country shows that, as we increase the number of these servants, so surely shall we approach the difficulties of the French situation. Nationalization of roads, railways, and canals, may or may not be sound economically, under the present representative system it would be suicidal politically.

It is not that the public servant is less a good patriot than his neighbour. He has, after all, a wife and children to support, and by organizing in the constituencies he can exploit the body politic in their interest We want men who make their homes their first consideration We also want legitimate grievances and demands voiced Let us face the menace of public servants organized to better themselves by political action, and remove the abuse involved by giving them their own proportional representatives in exchange for their general vote as citizens When the Federal Council of the Empire is constituted, they can regain their voice on purely imperial questions

The *Rédaction en Chef* of our contemporary, the *Journal des Économistes*, has just been taken over by the eminent publicist and ex-minister, M. Yves Guyot His name will be most familiar as that of the one continental journalist of note who had the hardihood to stand up for England during the Boer War More than any other man living he may claim to be the father of the present fortunate Anglo-French *entente*.

His career as a journalist began very early in life, but has been interrupted from time to time by other occupations. He took part, for instance, in the fighting during the siege of Paris and after, and later on, as the result of a very necessary and effective political agitation, he endured six months' imprisonment. During the Dreyfus affair he became involved in a duel. Indeed, the life of a publicist in France during the past half-century presents a strange contrast to the easy-going existence led, as a rule, by his English *confrères*

After serving the public for some years as Municipal Councillor, M Guyot was elected Deputy for the Seine in 1885, and held the post of Minister of Public Works from 1889 to 1892. His administration was most successful, and effected great economies in the management of the State and guaranteed railways. As an economist, M Guyot is a staunch advocate of individualism and of free exchange, and indeed carries his enthusiasm for Bastiat's principles to lengths where it is not always easy for most of us to follow him. In regard to bimetallism, he has always been opposed to that discredited theory. He also entertains a thorough and wholesome dislike to the introduction of that technical terminology which has of late years tended to swamp the economic writing of England and America. Whatever he has to say on any economic question has, at any rate, always been said in the plainest and most vigorous of French.

Early in 1909 we heard a good deal that we did not like or want to hear about Ruskin College. To those interested in the Labour Movement it was not encouraging. But out of evil good may come, and there is no doubt whatever that the College is emerging from the crisis through which it has passed vastly strengthened both in its internal organization and in its external reputation. The difficulties which culminated in the early part of last year were in themselves almost trivial—so much depended on merely personal questions, and on the most obvious misrepresentations and misapprehensions, which were bound to be dissipated so soon as passions had cooled and

the governing body of the College had time and opportunity to state its case. The supposed plot to capture the College for the University, and to turn it into a middle-class institution, was intrinsically so absurd and improbable that it could not long continue to carry conviction. The other charges against the governing body were refuted with equal ease. But the really serious aspect of the matter was the apparent readiness of working-class opinion, on the flimsiest of evidence, to give credence to these accusations. If the Trade Unions had, previous to the dispute, felt complete confidence in the aims and conduct of the College, they would surely not have fallen a victim so readily to partisan statements of the case against the authorities. The real evil revealed was that the College had for some reason failed to win the support and confidence which, in the opinion of those who knew it well, it undoubtedly deserved.

In the most statesmanlike spirit the Executive Committee has set itself to remove this latent suspicion by the fundamental reform of the constitution of the College. Ruskin Hall had been a private venture. By degrees, as organized Labour came to give it support, the Trade Unions were given places for their representatives upon the governing Council. Thus the Council had come to be composed of two main elements, mixed in roughly equal proportions—experts in education on the one hand, and representatives of Labour on the other. Recent events had shown the Labour Movement to be fully alive to the importance of the need which Ruskin College set out to meet, though not equally confident of its success in meeting it; and it seemed to the Executive Committee that the time had come when the whole control of the College, and the whole responsibility for its conduct and efficiency, should pass into the hands of the Labour organizations so far as they were prepared to take up the task.

The proposed new constitution therefore consists of a Council and an Executive, in which the whole voting power is in the hands of representatives of those particular Labour organizations which contribute (by means of scholarships) to the support of

the College, and also of the following four general bodies—the Trade Union Congress, the General Federation of Trade Unions, the Co-operative Congress, and the Working Men's Club and Institute Union. It is not intended that the educational expert element should be excluded, on the contrary, it is provided that the Executive Committee shall contain three such members, nominated by the Council, but it was thought best that their function should be purely advisory, and therefore they are to have no votes. This scheme was brought by Professor Lees-Smith (as Chairman of the Executive Committee which framed it) before a conference of Delegates from the various Labour organizations which had supported the College, and was adopted without opposition as proposed. It only remains to get the final consent of these bodies to that which their Delegates have already approved.

There is, then, to be no doubt in the future as to who runs Ruskin College. It is to be taken over by the Labour Movement, and the suspicion that it is too much dominated by University influence will be dispelled by the plain fact that directly at least, neither the University nor any member of it will have the slightest power over its discipline, policy, or organization. It will be managed by working men for working men. This is, of course, no revolution, it is simply the proper and natural development, a development which many hoped for from the start, and which it has been the constant policy of those responsible for the control of the College to forward by every means in their power. But the principle here asserted, though no new one, is of the very greatest importance. Education has been too long an affair of patronage, lacking in force and spontaneity. The working man is now going to look after his own education himself. In Ruskin College he takes over a "going concern" which has a fine record, an excellent staff, and an able and distinguished principal, and it is difficult to exaggerate the extent to which such an institution, with the full force of working-class opinion behind it, may benefit the community.

THE LANDLORD.

THE evolution of the landlord is a question deeply connected with the problem of kingship and sovereignty. Properly to understand it, we must first examine the source and sanction of all human authority and the various forms it has assumed. We must also ask what is the primitive state of human society. It will be well to lay down a few axioms which will be taken for granted in approaching this study.

I In the earliest state of mankind there is despotism in the household and oligarchy in the State,—that is, provided such State can be said to exist. We may brush away the fanciful exceptions of matriarchal descent or of legendary amazons. The leader of the herd is the antitype of the patriarch, and exerts unquestioned authority within his narrow limits—first by fear, then by awe, lastly by the dawning influence of affection. This authority and this development is absolutely universal among the nomadic nations which interest us in this survey. Elsewhere we detect (and to-day trace the faint vestiges) of an anti-familial socialism, which regards the young as children of the State, not chattels of their father. This perplexing problem cannot, however, detain us here, we do not deal with those cases where such anomalies are shown. This phenomenon may be a primitive, but is more probably a derivative, a reflected or decadent system, the *patria potestas* may have been deliberately reduced as in Plato's Republic or modern State encroachments. But the patriarchate and the advance of culture go hand in hand and cannot be divorced. We may therefore assume for our purpose that the progressive portion of mankind is uniform develops on the same lines all over the world, and radiates outwards from the family into the clan, the tribe, the State;

not inwards from an imaginary pack to a still more fantastic individual unit

Into the details of family life under parental authority there is no need to go. It is the same all the world over, from China, with its busy and settled agricultural centres, through Mongolia with its restless nomadic caravans, through India, Persia, Greece, and Rome, to the ascendancy of the Anglo-Saxon in East and West alike. No change of government has ventured to alter the independent control of family life, or interfered with effect in its laws, customs, and idiosyncrasies. But when the *paterfamilias* leaves his home to walk abroad in the village he is no longer an autocrat, but a "dull mediocrity," a fellow-commoner. The primitive State is jealously oligarchical; and in vast tracts where man can live side by side without quarrel (as in Australia) the chieftain has never emerged, or has been promptly suppressed. Savage society, except in the reluctant intervals of war, is a gerontocracy. The old men of experience lead, as in Plato: they have passed through the dangers and discipline of youth, and decaying strength of body only brings prudence and weight to their counsels.

Two influences, however, slowly modified this contrast, the village community elected a headman *primus inter pares*, and the father in place of a gloomy and arbitrary tyrant became a trustee and a purveyor. The family and the State came nearer to one another. Absolute power was tempered by domestic constitutionalism and a sense of duty, while the weak council of these heads of houses chose an executive, and submitted to the rule of hereditary chiefs, either for ordinary or exceptional religion, for war, or for the routine distribution of tasks and profits.

Meantime there are influences abroad which pull simple hearts into subservience. The ordinary ministers of the village worship yield now and again in the stress of a crisis to the surpassing craft of a wizard-priest, who does not carry on the familiar and innocent cult of the departed, but makes terms with, or even issues commands to, unseen powers still more fearsome. This is an element of primitive kingship which has never

disappeared. Awe and respect for occult faculties sometimes outweigh the more intense admiration for the warrior, and monarchy points for the origin and meaning of its spell rather to spiritual cunning than to warlike prowess. Thus in an early commonwealth there may be the counterpart of the *rex sacrificulus*, often a lineal representative of some ancestor, hero or demigod. Nothing may for years interrupt the amiable performance of the accustomed rites, but in the crisis of sudden attack or divine catastrophe, he is displaced by two competitors for his rank, war-leader and inspired priest. Privilege of birth gives way to a marked ability which can suggest resource in an emergency. We have here the first signs of specialism, dividing careers with a sharp line and undermining the exclusive influence of the family. Thus while military and divine affairs are entrusted to the man or the corporation best qualified to treat them, the original routine work of distribution of supplies is still claimed by the village council, and carried out by their president or headman.

But another striking moment is at hand, when in the gradually filling earth larger bodies arise, confederacies or empires. A triumphant tribe masters its neighbours, and rejoices in the mastery, many are reduced to slavery, after the human race has taken that momentous step towards civilization—when the victor does not kill his prisoners of war, but saves them for his service. Another blow has been dealt to the supremacy of the family. An alien element has been introduced into the community, sometimes of no account, despised and oppressed, but at others, creeping into the confidence and intimacy of the master (who has now become for the servile class, home, father, family, and god). This, however, is a later development, and must not be anticipated, it is most frequent where the chief of a dominant military caste pensions his own followers or peers to enjoy the fruits of their valour, but avails himself of the discreet service of the vanquished race in matters of peace and civil affairs. We will now formulate the further development which has taken place from the village-assembly of heads of houses.

II. Danger, spiritual or temporal, ousts earlier authorities to give place to ability and strength, larger unions are formed by conquest, mostly under a single control; while the ancient bonds of family kinship and religious worship are insensibly weakened. Man has found his independence against the unseen terrors of nature, fear gives place to self-assurance, an aristocracy forms, and the craven multitude are reduced to serfs. But with this far-reaching revolution in political forms, in this exchange of force and expediency for the old patriarchal *régime* of moral custom,—what has altered in the social life of the smallest unit, the village?

The political revolution, which has to some extent overthrown the archaic standards of value, has not penetrated very far. In urban confederacies, a union of dissimilar members for one common object, trade or self-protection against a powerful foe, has not interfered with local autonomy. The dominant caste wishes to derive men and money from the subject-provinces, not to administer. A central and uniform government was unimaginable,—such as slowly evolved out of the patriarchal feudalism of China, or rose up under the Moguls in India against the wills and genius of its inhabitants. But the primitive life of each locality lingers on, and no one touches or cares to touch its unwritten laws and precedents. The village community of China or of the Indo-Germanic peoples survives with its own traditions. It had long ago replaced the nomad horsemen or caravans by settled agriculturists in a permanent abode. It portions out (in a measure which need not here be more precisely detailed) the tasks and returns of its common acreage, a man's home is his own, his beasts and implements are his own, but the ground he tills is a portion of soil belonging to the community as a whole, in which as yet no individual has private right of ownership. He has passed through the destructive period of hunting, through the merely conservative interval of pasturage, and has reached the productive and thrifty stage of tillage, without a thought of individual property in the scene of his labours. Communalism in land is the rule all the world over, from China to Ireland. It may be taken as a universal practice,

the normal plan, the burden of proof lies on him who disputes the fact

What, then, is authority in such a commonwealth of kin or fictitious kin? Indoors, the father rules, not without a family conclave, and a fixed body of precedents, in the assembly, the heads of houses, with an executive and a chairman, are chosen freely from the main body, but in general, with man's natural bent towards heredity, selected from a privileged family. And their duties? Largely that of purveyor and distributor of supplies, with whom rested no open initiative, but plain routine-work long beforehand settled by custom. Such is the village community. Details and local varieties of this common holding may be traced by the specialist, but it cannot be doubted that its main features are permanent and uniform.

And to this body of "fellow-commoners" as they may be termed, what of the alien authority that has violently grouped together these isolated communities? Exception might well be taken to the suggestion of violence. The history of political institutions betrays the free and natural origin of most of those systems, usually attributed to personal ambition, the tyranny of kings and the knavery of priests. Most movements toward centralized—that is, personal—government have been guided by economic causes, and warmly applauded by the public voice. The wider area of experience, the danger of imminent and stronger neighbours, the new demand for the expert work and the trained specialist, rendered men indifferent to the old rights of equal debate which had become obsolete or ineffective—rather (shall we say?) made them welcome an impartial power, which protected their interests and kept the peace while leaving alone the private concerns of the commune. The typical case of the Norse Varangians and the Slavonic villages of Russia, illuminates the whole obscure transition in history from the isolated canton to the unified empire. So far are the bulk of mankind from a feverish interest in general politics or a demand for constant personal intervention, that reformers of ancient and modern times have repeatedly complained of their indifference. It is, at the present moment, one of the strangest anomalies

of the democratic propaganda, that the development of the popular franchise has been synchronous with the total loss of the local and communal rights, whether in the soil of the village or in the real management of its concerns.

What, then, did the distant rulers demand, whether unwelcome conquerors or invited arbiters and protectors? They laid no claim to the land of the settlement or canton. They were satisfied with a tribute, as acknowledgment of dependence, or the price of life (forfeited by the luck of war to the victors), or as the later "scutage" a commuted payment for duties best performed by competent experts. The Mongol supremacy in Russia may occur to us, where, for two and a quarter centuries, a foreign horde exacted a moderate tribute, conciliated the clergy, abated the pretensions and strife of the Varangian princes, and did very little harm to the typical Russian polity—the village. It would be hard to prove that the ordinary peasant and his community have gained immeasurably by the substitution of the tottering colossus of Imperialism reinforced by German bureaucrats, which took the place of the mild and uninterfering yoke of the Golden Horde. As a chain is only as strong as its weakest link, so the success of a Government or the happiness of a nation can only be estimated by the condition of its lowest and most numerous class.

Now a certain phrase of the Russian peasants throws light upon the original conception of this protectorate "We are yours, but the land is ours." The new military caste were not owners of the soil, hallowed by ancestral memories and popular sentiment, but in a certain sense, they "owned" its settlers and tillers. There is not the slightest doubt that a claim for ownership in the soil was far more bitterly resented than a claim for personal service—to us indistinguishable from a degrading serfage. It is not a little strange that modern reform, while stripping the peasant of his few remaining rights, has laid so great an emphasis on his personal liberty. Personal liberty, in the ancient and mediæval world, had no value and was universally shunned. A detached individual, without bonds to a

commune or gild or person, was an outcast or a *lusus naturæ*. The village community (of which the classical city-state is merely an extension or a compromise) was composed of kinsmen and the individual was nothing, indeed ceased to be, apart from his rank, and cut off from his fellows. Outside was the waste, the robber, and the wolf. The inferior classes, who gradually gained an entrance and a place in the conservative precincts, must console themselves for lack of municipal privilege by personal ties. The *Patronate* runs through the whole of the ancient world, and the slave is only a less honourable client, sometimes with equal and even greater chances of promotion.

The study of the Paternal system in Gaul or in Rome presents many varieties of origin, but few discrepancies of principle. The State (as we conceive it to-day) was inquisitive and exacting enough for its own corporators, but it only gradually recognized other members outside the primitive heads of houses. It was unable to conceive that its family compacts or private religious rites might one day include the settlers, alien merchants, freedmen, or slaves. These remained without the pale even while in practice they obtained a certain interest, through the mediation of the patron or master. At length the State arose into a fuller consciousness of itself and its mission. It stealthily widened its borders and its jurisdiction. In a long and silent process it drew to itself the feudal powers which had been conceded to the *patries familiae*, and gradually imposed limits even upon this unchallenged authority. Once more the central power becomes weak or falls into abeyance, and a uniform administration breaks up into lesser groups and units. And once more the steady operation of law and finance gives way before a variety of local customs and procedure, before arbitrary will. The private and voluntary tie of lord and liegeman supplants the monotonous equality of all before the law, and "commendation" extinguishes the freeholder and gives rise to a feudal hierarchy and the familiar axiom *Nulle terre sans seigneur*.

III. We have now made an abstract survey of the vicissitudes which might occur from the alternate strength and weakness of the State, but we have also followed the actual course of

development in the Roman Empire and the Teutonic dissolution. Starting from an inquiry into the basis of government, we have seen the family expand into the clan, the clan into the tribe and dominant race, in the classic nations we have seen the robber-asylum widen its mission, absorb without destroying the federal or subject cities, and finally embrace the civilized world with an anomalous government, half direct despotism, half protectorate. We now return to our immediate subject—the condition of the primitive village under new masters or protectors. For Western Europe dissolved again into these rudiments on the removal of the central power, urban culture disappeared for a time, and from Gaul to further India, or from the Thames to the Ganges, the silent and unstoned village life became the normal unit of social and political existence.

Under what guise did the patron or protector offer himself to these village communities, growing more and more isolated as barbarism overspread the culture of Rome and urban civilization decayed? Here was the new and yet archaic unit in a society dissolving into fragments, the permanent settlement of hamlet and township, surviving almost unchanged among us to-day after more than a thousand years. For we are speaking not of the domain, cleared and prepared for slave-culture under the eyes of a master, this is one form of the later Manor, but neither the commonest nor the most significant. We are treating of that large number of cantons which, under the relaxed grasp of Merovings, the momentary revival under the Carlings, the panic and upheaval of the northern invasions, have preferred the patronage of a soldier to a dangerous independence. The patron might present himself in several ways. (1) He might be a soldier, deriving from royal grant or popular invitation certain rights and exercising certain duties over the tenants (rather than the soil) of the canton, (2) he might be a former royal judge, handing on his functions to his descendants without challenge, when the central power was suspended, (3) he might be (as some have shrewdly surmised) the Roman financial officer, the fiscal proctor, who, independent of the provincial governor, could pose as lord and benefactor of a village, escape the

odium elsewhere attaching to a publican or collector of dues, and, during a similar abeyance of imperial authority, take to his own use the modest revenue of the district with its judicial duties, (4) sometimes the future lord sprang from the humble capitalist, who, possessing more cattle than his neighbours, lent out his surplus and waxed rich, emerging in the sequel as the undoubted owner of the land he stocked and the master of the once free men who preferred an economic slavery to starvation

But it will be noticed that in all these characters, the very last which is assumed is that of proprietor. The patron, sorely needed in turbulent times, might be an old collector of revenue, responsible for the communal dues, and uniting the related function of judge, or a judge pure and simple, or a soldier granted by a central but feeble government certain royal rights in return for service, or invited as a champion against evil-designed neighbours, or a lender of stock and capital, wherewith to cultivate the village holding. In no case do the new persons, existing side by side with the old machinery of assembly and headman, claim the soil. The lord is not "seized" of the cantonal land as proprietor, but he enjoys certain dues, proceeding partly may be out of land, but in the main out of personal homage, which involves the usual reciprocal duties of a feudal system.

Such, then, roughly is the settlement made not only explicitly in early Russian history, but found again and again under various terms or disguises in Western Europe after the decline of the Roman and the failure of the Carling empires. Towns might be transformed into a heap of ruins, might vanish utterly leaving no trace, in virtue of the law which shifted the centre of gravity, after the Teutonic migrations, from urban to country life. But the village-settlement was more tenacious and stubborn, the cabins, huddling round a protective castle, might be destroyed, and the land laid waste, but the tenants soon gathered again and repaired their losses. Gaul had been full of seignorial domains in the later empire, and society was partly feudal, partly ecclesiastical, nor is it easy in Apollinaris Sidonius to decide which element predominates.

Hitherto we have spoken mainly of the free communal proprietors, settled long before human memory on a certain area. We believe this to have been the rule east of the Rhine to the steppes of Russia. The Teutons combined this rudimentary life with the zest and uncertainty of country and tribal feud, and chivalry and the links of personal loyalty appear first among them in the *comitatus*. The Slavs, to this very day largely pacific and parochial, maintained the same rudimentary form in the Balkan peninsula and in Russia, uniting only under pressure of a foreign master, Bulgar or Varangian. This development is several centuries after the Teutonic settlements; for Germany was occupied in a rude yet systematic agriculture from fixed social centres, while the descendants of the Scyths were still wandering in waggons over the deathly silence of the Russian plains, as in the days of Herodotus and Æschylus. But the Roman villa belongs to the class to which we have only briefly alluded, and which it will be well to examine here somewhat more closely. Within the empire another type emerges, which is to form a presage of the later arbitrary lord and cringing serf. It is not my purpose to spend time on Roman land-tenure, to deplore the fate of the militant farmer-yeoman, or to trace the gradual extinction of free proprietors, and the rise of serfage and vast estates, a development which has been very much exaggerated. All I would point out here is that, in spite of a welcome increase in small holdings in imperial times, perhaps down to the reign of Theodosius I. (c. 400), the large proprietor again appeared, owning vast tracts in several provinces, and administering like Trimbalchio through a bailiff or *villicus*. The Lord, like a Japanese Daimio, was invisible or inept in management, while the latter profited by this absenteeism to pose as the master. Lands were tilled by slaves, and no association of free tenants could struggle against economical competition. Not kinship, as in the Indian, Teutonic, and Russian villages, assembled and united its members, but necessity and coercion. State concessions in Republican and Imperial times had been diverted to the exclusive profit of the rich. Perhaps in no country had the "feudal" party so

well contrived to oust the poor from the enjoyment of the increasing area of Roman conquest. Never, perhaps, did an aristocracy deserve less sympathy in its fall. The success of Julius and Octavius was no sally of ambition or craft, but the result of economic needs and popular demands. The patrician was an excellent and high-minded patron, and toiled unpaid except by credit and conscience for his dependents. But he monopolized dignity, influence, and emolument long after the reason for his supremacy had passed. There are other privileged classes who, having served their purpose, cannot imagine that they have now become, like the French aristocracy, superfluous to the State. The general character of the agricultural system was that of the manorial estate, an absentee master or lord, a bailiff or steward moving with plenary yet borrowed authority among serfs. There did, indeed, survive freeholders and direct tenants of the State, but they were few and far between. The normal type of village was a collection of well-built *ergastula*, occupied by the victims of the middle-man. The free village community of Slav or Teuton is poles asunder. Instead of being the social unit, the village and its land under the emperors is but a servile appendage of the town.

IV So far, we have generally surveyed the features common to the village settlement in all countries, and have dwelt on the difference which the urban tendencies and slave-system of the classical peoples introduced into a universal institution. (For it must be repeated that the village and the town are the same in theory, an assemblage of clansmen for mutual support, only in the latter there is a later stage of development and a central focus—by the method of *συννομισμὸς*—for a now federated group of village communities.) We will follow, then, somewhat more closely the fortunes of agriculture and land tenure in our own country, and trace the position of the lord from the advent of the Normans. For what (to state boldly the central problem) is the Manor? First, it has the unmistakable features of a compromise. It unites the elements of an archaic communalism with the neo-individualism (as it may be termed) of the fighting epoch. Here is the earliest form of society, democratic, tribal,

no State-directed socialism over serfs, but a natural family group, local self-government according to tradition by the older men.

There appears within the group the king, with supernatural and hereditary powers, the *dux*, or war-leader, and from without is superinduced another authority, the overlord. For the tendency of civilization (up to a certain point) is to set free masterful personalities and reduce the mass, for a time at least, to a dull uniform level. The equilibrium of equal votes is most difficult to maintain, so is the reverence for time-honoured custom when it conflicts with present needs. If the primitive village or classic town expand beyond the kinsman limit and admit a foreign element, you will find the perpetual feud of patrician and plebeian, in Greece and Rome alike. An individual, usually the cadet of a noble line, will cut the Gordian knot, for the hero of a popular movement is in general an aristocrat, and rarely a vulgarian. Greek tyrant or Roman emperor, he becomes patron of the lesser orders, or of the foreign element. He founds his powers not on religious tradition or exclusiveness, but on the novel doctrine of expediency and equal rights. This patronal institution had always existed, owing to the judicious reluctance of the State to encroach, and its modest conception of its function in early times. The civil patronate among the Romans, which made up for the deficiencies of the State, is the civilized counterpart of the Teutonic *comitatus*.

It is worthy of notice that all liberal movements in history have issued from this source. Without the patronal influence, the fetters of custom and tradition could never have been broken, the narrow circle of kinship never passed. The petty community must have slumbered complacently, without hope or progress, in absolute isolation; or must have suffered from unceasing war, without object or end. The individual could never have won freedom for his development, or the State its modern claims and power, unless the patron, the tyrant (*προστάτης*), the *princeps*, had prepared the way. Monarchy is an essential precondition of liberty.

The reciprocal relation of client and patron is the result of a private covenant, and is an extra-legal tie, nay, more, it is extra-traditional, and involves the new principle that birth and race do not settle a man's place and duty irrevocably, but that free choice and merit may override such accidents. The patronate might start in the (1) protection afforded to foreign merchants or whole towns by a powerful member of an oligarchy, (2) in the economic dependence of those who leased cattle or borrowed money from a wealthier man; (3) in the military leader of renown, who collected a faithful retinue, where the sole qualifications were loyalty and valour. Every society, from the Celtic lender of cattle, from the Gaulish protector of the debtors (*obserati*), to the Roman *rex*, had within it the seeds of that which we term Feudalism in later times. A network of potent but unrecognized relations spread over the world. It is the universal intermediate stage between the break-up of the archaic and religious clan commonwealth and the formation of the new centralized state of force and expediency. It flourishes not merely where the State is weak and fears to invade privacy, but where the State as yet has not been constituted at all. And underneath the violence and wilfulness of a feudal epoch there are always surviving traces of its voluntary origin in a compact between master and man—in a compromise, that is, between the primitive communalism of the village and the strong arm of the new individualism.

When we apply these general principles to our own country, we shall do well to bear in mind a fundamental distinction in ancient and modern notions of a landlord. In our eyes the landlord is the permanent element, he is the centre unmoved, and his tenants are accidents, and revolve round him. They come and go, while the family remains, and although there are instances, no doubt, of long tenure (as of the Kings in an Essex village, Great Bardfield, with unbroken tenure for four centuries up to the present year), it cannot be denied that most lessees are birds of passage, following a restlessness not unnatural in these days, while the lord or his heirs and assignees are the abiding feature. Nothing could well be a greater contrast than

the earlier relation, the village of kindred or artificial kin is permanent, the lord an accident and a stranger. They have "commended" themselves to his care, and he has perhaps received their lands to restore in fief. Or, again, he has been placed over the district by the king, to hold office as judge or lieutenant "during good pleasure," and to intercept for the necessary cost of local government the king's taxes and dues. But there is here no fixity of tenure, feudalism is the insolent assumption of independence by mere delegates (In this sense there can be feudalism even in a Long Parliament) At the outset office is in one form personal and revocable, the goodwill of the original tenants who freely accept or choose a protector, of the king who grants a certain official post and its emoluments, is lost sight of in the years which follow. He has become a permanent element, by the side of the village community, isolated and self-supporting. The irony of time, with the large increase of titular independence, has brought round to-day a condition of affairs which is entirely anomalous. The village to-day has (with rare exceptions) no traditions and no continuous history. It is formed, not of kinsmen and cousins, but of constantly shifting atoms. So far from meeting to discuss, the chief pride of the village families is that they keep to themselves, and the real difficulty in the way of effective parish councils is not the open or insidious tyranny of the parson and squire, but the villagers' distrust of each other.

But in the period we are discussing the village had not yet been broken up into a congeries of envious and shifting units, it was still a corporation with a genuine public life and communal action, defending itself in its own courts, which later developed into the Court Baron, by no means the home of arbitrary law. In England, whether under Iberian, Celt, Roman, Saxon, Dane, or Norman, there was the social unit. And on this primitive community supervenes the lord, giving an individualistic and despotic turn to the common life and common holding. Here as elsewhere (especially in France) national crisis or local danger gave the impulse. Under constant dread of invasion (750-1000), the military organization

was drawn tighter, and the protector assumed all the airs of absolute master. As in Rome, the "fyrd," the levy of citizens, freemen and farmers, could not cope with the new dangers. A professional soldier-class arose, not, as later in the Normans, a dominant caste demanding to be supported in idleness, but a necessary body of protectors—a tutelary caste. How were these specialists to be provided for? By reserving to their use the State's right over the dues or taxes of a certain district. Before the Norman Conquest, a feudal class of the familiar type had been created. The Normans converted an existing usage to their own aims of subjugation and of government. Where its form was indistinct or precarious, they boldly assumed a rigid outline and an unvarying uniformity. Domesday makes of every tenure a conventional manor, and with the natural dislike of law for the exceptional or eccentric, discovered manors everywhere, and adopted, through the area covered by this survey, the maxim, *Nulle terre sans seigneur*.

Several dim ideas coalesced in the conception of a feudal landlord. He was a member of the victorious *comitatus*, and his leader had made a grant of judgeship and magistracy, not of conquered territory (was he then to become a beggarly farmer?) without delay he assumed the place of a patron or protector, and his "men" soon took a pride in the captain under whom they served. He was, besides, a State official, entrusted with all the functions of local government, for the State loved not as now to deal direct with the millions of its subjects, but mediately through a dignified delegate whose post was responsible and revocable. It was clear from the start which element in this variegated character would prevail. The notion of henchman or official bound to loyal service and obedience grew faint. The notion of protector and judge was swallowed up in the new claims for absolute ownership of the soil. What had once been a personal relation on voluntary terms (like patron and client in Rome) became in a turbulent age the relation of master and serf, and the law aided the deterioration of the landlord by deliberately transforming him into the sole proprietor of his domain. Thus the foreign adventurer (*ἱππευακτὸς*)

became by a convenient legal fiction the original owner, and the early communalism of kindred was completely absorbed by individualism.

Were the village franchises and the happiness of its inmates irretrievably lost by this change? Not entirely; human nature and expediency softened the worst features of an arbitrary seizure of land and extinction of personal rights. We have seen, at the Domesday survey 1086, everything prepared for a uniform and recognized system, because man's nature is feudal. It found peasant communities, and by their side the influence of great proprietors and capitalists. The central government, while anxious to recompense its own followers, did not wish to dispossess forcibly the class of powerful native owners. Like the Franks and the Greek soldier-landlords in the Morea (1204), the two classes fraternized. Afterwards, though everything tended to exalt individual ownership, custom and social intercourse softened the asperity of the law, just as (on many estates) the happiest relations prevailed between white master and black slave in the Indies. A monstrous social or economic system finds its own corrective, and men may be free under the worst theory of despotism, and serfs under the lavish promises of a republic. The feudal era in England was neither so laudable nor so grievous as its eulogists and foes have depicted. But it was an honest attempt to make the best of existing circumstances and new changes, in an age of ignorance as to the end and aim of government, of the principles which govern life and economic development. We find to-day that a tax if considered unjust is somehow evaded, and the State, by grasping at too much, loses not only funds but good-will. So private kindness and mutual interest found means of reconciling men who had to live together, and atoned for the injustice of a legal system which seemed determined to transform the protector into a tyrant, and his client and freeholder into a slave.

It is scarcely fair, then, to pose the problem thus. How was a community of kinsmen and blood-relations, under an elected president, converted or degraded into a settled serfdom under an absolute proprietor? Such it never became, however much

the law exerted itself to minimize distinctions, except the all-important one of lord and villain. As a fact, even self-government continued, and the Manor itself, which seems to speak only of arbitrary will and ownership, was in truth the asylum of freedom, the safeguard of tradition, and the nursery of that sturdy political spirit which created and sustained the English Parliament. Still, in legal theory, and often too in practice, the status of the poor freeman grew steadily worse. "The arms slipped out of his hands," says Professor Vinogradoff, "and with them freedom." The *colonus* could not be interrupted in his harvest to join the levy, and the professional soldier superseded the native militia. The rough life and vagrant habits of the knight or noble did not need elaborate domestic service as in the unproductive luxury of later Rome. Plots and cabins were allotted, levies, grants (mostly in kind) were enjoined as among the Germans of Tacitus' age. Domesday succeeded in writing a hard-and-fast line between base and free tenure, and although the manorial court depended on the restraining influence of freeholders to check caprice, the latter class was insensibly merged, or tended to merge, in the former. Disdain grew up for the very use of the weapons of peace, and villages, isolated from outer influence and intimidated by bailiff or men-at-arms, often sank back into mute barbarism. Yet local franchises and traces of local autonomy never became extinct. Even in oppressive times, amid arbitrary legal theory and much actual violence, the Manor was a strictly constitutional monarchy, and in the Court Baron the suitors were judges and not the lord's deputy. Tradition was still strong, and the emphasis on the custom of the manor shows, amid the often misleading terms "arbitrary fine," that there was something higher than the lord's will, or rather contrasted with it.

In sum, the Manor then served a three-fold purpose (a) It was a settlement or a compromise of the eternal land-question, (b) it was a social unit, presenting all the features of a graded hierarchy, isolated and self-sufficing, (c) it was a centre of local administration, combining the duties of police, justice, and the poor-relief. In the first relation, the Manor

betrays the inevitable tendency of civilized society towards individualism, the judge or protector, with fixed dues, personal rather than territorial, passes under the encouragement of law and caste-expediency into an unique and absolute owner, just as the patriarchal chief of a Scotch clan, purveyor and distributor to his clansmen and arbiter in their disputes, has been transformed, almost within living memory, into a territorial lord. In the second, it was the home of a qualitative difference of status, which without subordinating lower welfare to higher interest, appropriated to each rank its special duties and presented an epitome or miniature of the social world. In the third, it provided a safe and inexpensive method of provincial government, enabled a military class to live securely on the grateful dues of peasants (thus exempted from personal service), and attached to the soil and to local interests the class of knight-errants, who otherwise might become in peace a menace to the public order.

Such in broad and general outline is the history and aim of the Manor, and of the development of its lord. The conception dates from the earliest moment when an individual representative was invited from within to protect the village commune, or imposed from without to live from its surplus profits. In either case, the development is similar. Whether welcomed by the commune or set over it by sovereign authority, the new personage draws to himself the old popular rights and franchise. War accentuates the pitiable dependence of weaponless peasants upon a master and his retinue. Law invests him with fee simple and freehold of the land, and in place of the headman we have the arbitrary and despotic owner of modern times. Yet this development is so gradual and so steady, and follows so closely the irresistible logic of economic laws, that we may not trace it to the mere grasping ambition of the master, but must interpret its meaning and value in the light of historic evolution.

F. W. BUSSELL

THE CONDITIONS OF DISTRESS.

AN INVESTIGATION OF 4000 BIRMINGHAM CASES

THE City of Birmingham Aid Society is founded on what are known as "Guild of Help Principles," to help those who are in temporary distress through no fault of their own, and by the careful sympathetic visiting of the helpers to prevent as far as possible the recurrence of distress. The Society is administered on "Central Fund" lines as opposed to the "Stand-by" system, but it is hoped that none of the advantages of the latter scheme are necessarily absent, while every endeavour is made to reduce as far as possible the risks attaching to the former. Applications for help are made by the head of the family at one of the branch offices, and the cases of single persons are not entertained unless there is some one dependent upon them. For every applicant a record paper is first filled up from his statements, and these record papers form the basis of the present inquiry.

The following tables are derived primarily from the statements of the applicants, supplemented to some extent by later inquiries. As they were investigated chiefly for the benefit of the Society, and not with the object of proving any particular point or supporting any private theories, it is hoped that they may be of some value from the large number of cases considered. At the same time they certainly suffer from lack of co-ordination and deduction, but they are mainly intended as a compendium of statistics, which may possibly prove of interest to those acquainted with the subject. We are all social reformers now, but possibly some current theories lack sufficient statistical foundation to justify their popularity.

The statistics deal with some four thousand persons who

applied to the Society for the first time between April 1, 1908, and March 31, 1909, by far the greater number falling into the period from October to February, which was a time of exceptional distress. In October a special appeal for funds was issued, and the resulting publicity no doubt brought forward as applicants a good many of the chronic poor, but on the other hand, it is to be presumed that a large number of these had applied previously, in which case they would not be considered in the present investigation. There is therefore no reason to assume that the cases during the exceptional distress were of a lower class than previously, and experience of the actual applicants tends to show that they were not of a higher order than formerly. Although there are no figures to prove it, probably the proportions of artisans, unskilled labourers and the chronic unemployed were about the same as in the two previous years.

Condition of Applicants—Of 4623 applicants, 88·4 per cent. were married men, 5·6 per cent. were widows and deserted women, 3 per cent were widowers, and 2·8 per cent were single persons. thus the great bulk of the cases were married men with wives, although the proportions varied in different branches, e.g. widows from 2·1 per cent. to 7·3 per cent.

Number of Addresses in the past Two Years.—The object in taking out these figures was to find out, if possible, how far the applicants were of the nomadic class, which is the despair of landlords. The result was as follows —

	No	Per cent
One address	1675	36·3
Two addresses	1417	30·7
Three or more	1462	31·6
No information	69	1·4
Total	4623	100·0

From this we see that 36·3 per cent had been in one house for two years previous to application, and 62·3 per cent. had moved during that time. It is probably fair to say that the "three or more addresses" class were distinctly nomadic in

their habits, and the amount of rent paid by this 31.6 per cent during the last two years would be very small, in several instances four and five and even six addresses were given.

The percentages varied considerably in different branches *e.g.* the figures for "more than one address" in each of the seven branches were Bordesley, 57.4, South, 65.7, North, 69.5, East, 60.8, West, 59, Central, 62.2, and Edgbaston, 56. There was thus a variation of 12 per cent between Bordesley and North, which is about what one would expect, considering the general character of the two areas, the first being largely an artisan district, and the second a place of mean streets and extreme poverty. During the summer the Society undertook a revisitation of cases helped, 1120 reports were made and 354 had removed or died, or 31.6 of the cases visited. This seems to be fairly in accordance with the other figures.

Age—The figures for the ages are taken from the applicants' own statements, and are not checked. While in many individual cases there is inaccuracy, yet for the whole number considered there is probably no great divergence from the true facts. For classification of the ages, the census age-groups were taken, and this prevented any comparison being made with the Distress Committee figures, which are tabulated on a different basis.

The comparison of the applicants with the figures for the adult occupied male population gives the following percentage for each age group —

	-25	-35	-45	-55	-65	65 and over
Census	29.0	25.3	19.1	13.3	8.0	5.0
		44.4				
Society	6.1	35.6	28.6	16.8	9.0	3.3
		64.2				

It is clear that there is a very great excess of the applicants in the 25-45 period, there being only 44.4 of the whole occupied male population as against 64.2 of those in distress.

The excess continues up to the "under 65" group, but in a degree not comparable to the earlier period

A legitimate deduction from the table seems to be that the factor of old age has little or no bearing on the problem of unemployment, which is purely a problem of the prime of life and this entirely agrees with the figures obtained by Mr W H Beveridge from the records of the Distress Committees¹ The cause no doubt is that, after the age of 45, the bulk of the unemployed are removed from the arena of industrial strife, and are either supported by grown-up children or else have sunk to the support of the Poor Law

Age and Trade—As will be seen later, the great majority of the applicants belong to five main trade groups. Considering the age distribution of these trades, we get the following figures —

Trade	No of cases	Age					
		-25	-35	-45	-55	-65	65 and over
All trades	4306	6.2	35.8	28.7	16.9	9.1	1.3
"Conveyance"	347	6.0	46.3	27.7	10.9	7.2	1.7
"Metals, etc."	2011	7.4	38.5	27.4	16.2	7.6	2.8
"Precious metals"	139	10.1	36.0	29.5	14.4	5.0	5.0
"Building"	860	2.7	30.2	30.7	20.9	11.8	3.6
"Food"	140	2.9	32.8	35.0	17.1	8.6	3.6

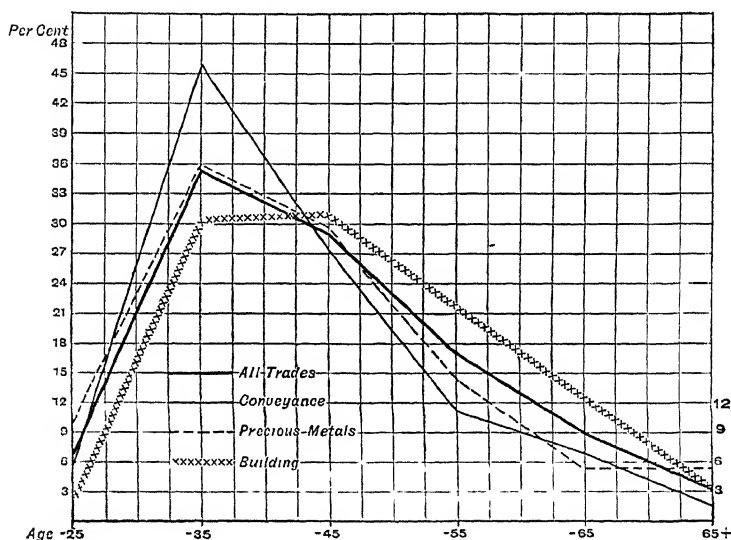
By plotting the ages horizontally and the percentages vertically, we get the curves on p. 29 for the three trade groups, "Conveyance of Men and Goods," "Precious Metals and Jewellery," and "Building and Works of Construction."

Conveyance of Men and Goods—The striking feature about this curve is the great excess at "under 35" (46.3 per cent., as against 35.8 for all trades). The trade group is mainly composed of carters and men in charge of horses, and it is difficult to see why such a large proportion of these should be young men—52.3 per cent under 35. It may be tentatively suggested that here we come across the stagnant surplus of the large

¹ *Unemployment*, p. 120.

group of van boys and lads in charge of horses who cannot be absorbed as carters and drivers at men's wages, another instance of the "blind alley" occupation.

AGES OF APPLICANTS IN DIFFERENT TRADES



Precious Metals and Jewellery—This group contains only 139 cases, so too much reliance should not be placed on it. The curve is normal at the earlier groups, but shows a deficiency at -55 and -65 that is to say, that of the applicants from this trade group fewer than would be expected are elderly men. This feature is probably due to the peculiarities of the jewellery trade, which is notable for its closeness, and contributes but few to the ranks of the unemployed. Probably the older men are not often discharged for slackness of trade, while the burden is distributed by means of short time, and if discharges are necessary, the younger men, as being less skilled, are the first to suffer. It is certainly one of those trades where age is not a drawback, but, being accompanied by greater skill, is more likely to be a cause of retention than of dismissal in time of slackness.

Building and Works of Construction.—This curve is remarkable in several ways, showing a deficiency up to -45, and thereafter a great excess. It must be remembered that included in the trade group are the navvies and outdoor labourers who are classed under "Works of Construction," and also a large number of building labourers of varying degrees of skill. The trade group on the whole is to a great extent unskilled, just as that of precious metals is skilled, and as might be expected we find exactly opposite features in the two curves: the skilled trade shows a deficiency of elderly men, because age is an asset, the unskilled group shows a great excess of elderly men, because age and diminishing strength are the great causes of unemployment.

Maternity Cases.—In a large number of cases the distress due to lack of employment is enhanced by the confinement of the wife. In Birmingham a large number of women go out to work, and in many cases the home is only kept together in the winter by the wife's earnings, in such cases the cessation of the wife's wages immediately transforms poverty into destitution. If the child be born in the summer, the man is probably in work and no particular distress is experienced, but in the winter the birth of a child may well be the final cause of resort to the poor law. During the period under review, there were 462 cases of this nature, or 11·3 per cent of the married applicants. There appears to be no method of comparing this with the equivalent figure for a normal community.

Number of Children.—Considering only those cases (3851) where the applicant has children alive, the following are the percentages. No differentiation is made between children at home or away.

1 child	2	3	4	5	6	7	8
16·8	20·5	19·0	16·7	10·8	7·4	4·3	2·0

1-0

Children and Wages.—An attempt was made to investigate the size of families in relation to the father's wages. There

are clearly various causes which render the figures rather uncertain, but then general tendency is unmistakable. Disregarding all cases where there were no children, on a basis of 3395 applicants, the following figures give the average number of children.—

Wages of father	Average number of children
Under 20s	3 27
" 25s	3 41
" 30s	3 40
30s and over	3 83
All wages	3 48

Except for the slight check at the "under 30s." group, the figures show that the size of the family is directly in proportion to the wages of the father. It must be remembered that only 6 per cent of the applicants were under 25 years of age, so that practically all were earning their maximum wages. As has been said above, there are many disturbing factors, and the figures are only given for what they are worth, but they seem to afford an interesting answer to those who are of opinion that the lower a man's wages are the larger is his family.

Estimated Age of Marriage—Only cases were considered where the present age of both man and wife were given, and the age of marriage was estimated by subtracting from this the age of the eldest child plus one. The following percentages were obtained for men and women married at each age based on 3462 cases, from which it appears that for marriages at 21 or under we get men 26.9 per cent, women 44.6 per cent. —

Age of marriage }	15	16	17	18	19	20	21	Under 25	Under 30	Under 35	35 and over
Men	0.3	0.4	1.1	2.0	5.5	7.2	10.4	28.3	27.4	10.9	6.5
Women	1.0	1.3	2.9	6.6	9.8	11.7	11.3	26.8	19.7	6.3	2.6

Qualified opinion is so much divided on the question of early marriages that it is impossible to dogmatize on the subject, but it must certainly be felt that the 44.6 per cent. of the women

married at 21 or under is strong evidence of grave improvidence

If these figures be plotted in a curve, an interesting point is the drop in the women's curve at the age of 21, this is clearly marked, either as a positive drop, or at all events as a distinct flattening of the curve, in each one of the branches, and is also seen in the curve for the age of marriage of women as given in *Women's Work and Wages*. There is no obvious reason for this, and it is probably only the graphic representation of a harmless little human vanity, which also appears in the census ages of women, and is commented on in the Census Reports

Maximum Wages in Last Employment—Under this heading it was attempted to assess the quality of the man. The figures are affected to some extent by actual earnings being given instead of maximum wages, and a large number were given as rates per hour, which were uniformly calculated on the basis of a 60 hour week. Of 3774 cases, the results show that 53.6 per cent earned under 25s, and 46.4 per cent earned 25s a week and over

Wages	Per cent
Under 20s	17.1
„ 25s	36.5
„ 30s	24.0
30s. and over	22.4

Experience of the applicants would lead one to expect rather a lower scale of wages, but it must be remembered that a large number of the trades in Birmingham are subject to severe seasonal depression, and as is usually the case in such trades the wages in these are rather high. Every attempt at the inculcation of thrift is liable to be met with the cry, "You cannot save on a pound a week," but the fact that 46.4 per cent could earn when in full work 25s a week or more serves to show that there is a wider scope for thrift than is popularly supposed

Time out of Work.—The intention here is to find out the

duration of unemployment at the date of application. The cases considered were 3849, with the following results.—

Time out of work	Per cent
1 month and under	27 0
3 months "	31 7
6 "	19 6
12 "	14 2
Over 12 months	7 5

It is seen that 58 7 per cent had been out of work for 3 months or less, and 41 3 for more than 3 months. It is difficult to come to any conclusion on these figures, for on the one hand the chronic unemployed would swell the figures for the longest out of work, and so lead one to suppose that the best cases were those who had experienced the shortest time of unemployment, whilst on the other hand, the good cases and better class applicants have the greatest sustaining power and do not resort to charity so readily, whence one would argue that those who were only a few weeks out of work before application were the worst cases with no reserve of power for maintenance. It is quite impossible to assess the force of these two factors, probably the "3 months" class is the best, very few of the poor have a sustaining power longer than this period, and usually the "pledging" of the home would not carry the family so far.

The "1 month" group certainly represents those who have no savings and no reserve, and also those who are perfectly willing to resort to charity at the first opportunity. The longer periods of unemployment represented by the 6, 12, and over 12 months unemployed contain in the first place the sick and aged, and also the great mass of the chronic unemployed, there is, moreover, a small number of cases of trade unionists who have run through the whole of their "out of work" benefit without getting work.

Rents.—The investigation of rent was complicated by the cases of persons living in furnished rooms and sharing houses, as far as possible these have been excluded, and only householders are considered. The following figures show the

percentage in each class, and also the percentages for each branch—3635 cases were taken.

Rent	Percent	B	S	N	E	W	C	Edg	
Under 4s	14 8	67 6	58 0	68 2	81 9	61 2	65 1	80 2	66 7
" 5s	52 8								
" 6s 6d	26 9	32 3	41 8	31 6	17 9	38 8	31 8	19 6	33 6
6s 6d and over	5 4								

According to the Board of Trade Inquiry into the Cost of Living,¹ nearly 30 per cent. of the whole population of the city inhabit three-roomed houses—"two up and one down" The "under 4s" class would represent the houses in courts, some of which in better neighbourhoods might pay rather more than 4s. The "under 5s." class would contain front houses, some of which would again come into the next highest group. The Board of Trade Report gives the following as the rents most usually paid —

Number of rooms	Rents, including rates
3 rooms	3s 6d-5s
4 "	5s-6s
5 "	5s 6d-7s 6d

The four-roomed tenement is far less common than that with three rooms. It should be mentioned that Birmingham is unhappily noted for the number of "back-to-back" houses, and there are said to be 40,000 in the city, the bulk of the 4s and 5s houses would be of this description.

Trades—The classification into trade groups was a matter of some difficulty, as there are several accepted systems, no one of which can be compared with any other. It was decided, on the whole, that the best method was to adopt the Census trade groups—twenty-three in number—and to follow them as far as possible, only varying from that system in certain sub-headings. The main difficulty, however, was met with in the question of the grade of labour. Many of the published statistics of Distress

¹ Cd 3864, p 84

Committees in regard to trades follow a system which is more popular than accurate, and divide the applicants into "Skilled," "Unskilled," and "Casual"

The division into "Skilled" and "Unskilled" for purposes of generalization is no doubt convenient, but the actual classification under such headings is a matter of the greatest difficulty, and depends so much on the opinions of the classifier that it is doubtful if it is of any use whatever. Similarly in regard to "casual" labour this has now become a household word amongst the vast body of amateur social reformers, and in seaport towns the term, no doubt, has a sufficiently definite meaning, but in a large inland manufacturing town it is exceedingly doubtful whether any precise definition can be given for the expression. In the sense in which dock labourers are casual, there is little casual labour. The building trades are casual, the men are taken on by the job, and on its completion, if the builder has no other job on hand, they are out of work, but as far as this goes the builder's labourer is no more casual than the bricklayer at £2 a week in a moderate-sized district, over a larger area the labourers are no doubt engaged at the gate. It seems that even the lowest grades of labour in Birmingham are more or less professional. the filers and polishers in the metal trades remain filers and polishers, if there is no filing and polishing to be done they are unemployed, and they do not to any great extent take up other lines of work, every branch of every trade has its own stagnant reserve. If this be true, and it seems to admit of no exact proof, it is perfectly fair to assign all those applicants who return themselves as labourers to specific trades and therefore labourers in the brass trade were reckoned under the brass trade, builders', slaters', plasterers', and masons' labourers under building, and the "General Labourers" class was reserved for those for whom no investigation could discover the least hint of having ever had any reasonable period of regular work.

The summer revisiting gave the following figures for these cases, where the applicant was in work at the time of the visit: At work in own trade, 76.5 per cent., in another trade, 23.5

per cent The figures are to some extent vitiated by vague returns, and it is hoped that better evidence will be obtained on the point next year

This method of classifying even the labourers under their trades is that adopted by the census authorities, who warn their investigators that such general terms as "Labourer" without any distinction are not to be entered on the forms. Classifying the applicants thus, it is not at once possible to divide them into skilled and unskilled it is possible to do so by drawing a line in each trade, and calling those above skilled and the remainder unskilled, but such a proceeding is purely arbitrary. The skill of the bricklayer passes by infinite gradations into the handiness of the labourer, and, what is more important in the cases under review, almost every single worker in the metal trades has his own branch of work, although but little skill is demanded in such work as filing and polishing.

The great bulk of the applicants (81 per cent) fall into the five groups of the census classification, which comprise more than a hundred of the applicants. The concentration is greater than for the adult occupied male population, of which only 61·5 per cent fall into these groups, the figures being—

	Per cent applicants	Per cent population	Applicants per 1000 engaged in each trade
Conveyance of men, goods, and messages	8 1	10 5	20 7
Metals, machines, implements, etc	46 5	35 0	33 7
Precious metals and jewellery	3 2	5 0	17 0
Building and works of construction	19 9	9 9	53 7
Food, tobacco, and drink	3 3	7 1	12 4

Judging from the figures, the building trades are far the worst in point of view of distress, the order being Building, metals, conveyance, precious metals, jewellery.

Reason for leaving last Situation—The reasons are taken from the applicants' statements unchecked, and in a good many instances are certainly untrue. On the other hand, but little more value would attach to the employer's statement of the case, and the general run of the figures would be the same.

"Shortness of work" includes all terms referring to trade depression. "Illness" includes accidents and physical incapacity "Failure" includes bankruptcy, amalgamation, and closing of works "Dispute" refers to quarrels and not to strikes.

	Number	Per cent
Shortness of work	2787	70 2
Illness	628	15 8
Failure	303	7 7
Dispute	85	2 1
Various	165	4 2
	3968	100 0

The overwhelming majority give "shortness" as the reason for loss of work, this is, no doubt, perfectly true on general lines, as the depression of trade was very severe. While "shortness," however, accounts satisfactorily for the discharge of so many men, nevertheless in every case there is a further reason why that particular man was the one selected for discharge. He was weaker, idler, or more unpunctual and abusive than other men in the same situation. It appears impossible to get the real reasons for loss of work except by personal interview with each employer, which is unfortunately impracticable. In normal times, it is perfectly true to say, "Somebody must be discharged, but nobody need be," but in times of really exceptional slackness such reasoning cannot be pressed. An investigation of the reports from employers serves to indicate that unpunctuality and loss of time are the great weaknesses of the industrially inefficient.

The 7 7 per cent discharged owing to "failure" include 38 men who lost their work owing to the amalgamation of two large coach-building firms. The "various" group included a considerable number displaced by female labour in a pen factory, others by the introduction of machinery, and a few carters by the death of horses. A more exact statement would have afforded an interesting view as to the possibilities of a labour exchange in bringing the buyers and sellers of labour together, but no conclusion of such a nature can be based on these figures.

Character from Employer.—In the following statement “good” includes all characters in which nothing whatever was said against the man. “Fair” means that some irregularity was remarked on

	Number	Per cent
Good	2846	88.6
Fair	240	7.5
Moderate	85	2.6
Bad	42	1.3
	3213	100.0

These figures only are of value in showing that no reliance whatever can be placed on a formal statement from the employer without a personal interview. Only in 11.4 per cent. of the cases was anything at all said against the applicant. Similar figures were obtained by the Distress Committee. There is extreme reluctance on the part of employers to give a reasonably full statement as to a man's character, and they are very slow to understand that the only object in inquiry is to know how best to help the applicant.

Time in last Situation.—In this inquiry it was again hoped to throw some light on the industrial quality of applicants.

Time in last situation	Including “on and off”		Percent “on and off”
Over 20 years	153	4.0	15.6
“ 5 ”	888	23.0	19.0
“ 2 ”	769	20.0	20.7
“ 6 months	1069	27.7	10.3
1 month and over	855	22.2	3.0
Hawkers, etc	118	3.1	—
	3852	100	13.04

The great difficulty was that so many applicants stated they had been in one situation “on and off” for so long such situations were often for a considerable number of years, and afford some light on the subject of under-employment. The percentage of each group which were given as “on and off” is given in the

last column thus, of those who were in their last situation under 5 and over 2 years, 20·7 per cent were not really permanent situations but only "on and off" It is an interesting feature that of all situations mentioned 13 per cent were of this intermittent nature

The trades in Birmingham do not experience entirely concurrent seasonal depression, and in a properly organized labour market it is probable that most of this 13 per cent would have worked for several employers each year, instead of working only for one master during his busiest season. As long, however, as every employer has his own private reserve of labour the system will continue whereby 6 months' wages are paid for what is in essence a year's work

In case the last item, "hawkers, etc.," needs elucidation, the explanation is that there are a certain number of occupations, such as hawking, bill-delivering, and window-cleaning, in which it can never be said that a man is in work or out of work To meet the difficulty of these odd-job professions, this item was included

Distress Committee—The rule of the Society is that, when a man is put on the Distress Committee work, all material help must cease absolutely, to avoid any suspicion of supplementing wages 348 cases in all were closed for this reason, and of this number 110, or 31·6 per cent, reapplied to the society immediately on the conclusion of the publicly provided work This shows what a large number of the workers on relief work consider their employment as an ordinary low-paid situation, and not as a means of support while looking for real work As a test for the elimination of the lounge, distress work breaks down when the "3 days a week" system is adopted: as a means of support while looking for work, it also seems to be wanting A certain number of men who were used to the work were kept on for some months, and a few were retained by the Baths and Parks Committee as regular hands The duration of relief work for those applicants who received it was as follows:—

	Number	Per cent
2 weeks and under	180	22 7
8 " "	377	47 6
Over 8 weeks "	235	29 7

There is no inclination nor intention to try to generalize on the basis of the tables given above. It is hoped, however, that they may be of some interest to students of social subjects and members of kindred societies. Any one who has ever dealt, in however humble a way, with social statistics must have been struck by the chaotic nature of the material to his hand. It is of paramount importance that a definite scale for the calculation of ages, trades, wages, and the like should be adopted once for all. As affording the only means of comparison with the normal population, it would be best for all figures and calculations of whatever sort to be based on the system of the Census Reports.

E V BIRCHALL

INDIA AND THE OPIUM TRAFFIC

THE use and cultivation of the poppy would seem to have been introduced into India and China by the Arabs at a very early date, for we know that the poppy was widely cultivated in China during the eleventh century. Early in the sixteenth century the Portuguese found that opium was an important article of trade between the various countries of the Far East, and the European traders who now began to adventure their ships to the new markets of the world naturally wished to have a share in this lucrative trade. Opium could be bought cheaply in India in exchange for European goods, and could be sold at a large profit in China in exchange for silks and other native products. In addition, the drug was valuable in proportion to its bulk, and so could well bear the cost of long sea journeys, it was compact and durable, and was therefore pre-eminently suited to a trade of barter.

When the East India Company became master of Bengal and Behar in 1758, the cultivation of the poppy was free throughout India. There had at one time been a State opium monopoly in Behar, which had been abandoned during the troubles of the Mogul dynasty, but had left its influence in the shape of a powerful ring of opium-dealers collected together in the town of Patna. Patna had thus become the centre of the Eastern opium traffic, and the servants of the Company found much profit in the trade. In 1773, however, Warren Hastings decided that the trade ought to be regulated in the interests both of order and of revenue, and in 1775 it was arranged to create a monopoly of the purchase of opium from licensed cultivators, and to devote the proceeds of the monopoly to the maintenance of Government. This monopoly was farmed out to contractors, who were obliged to sell to Government at a

fixed price the opium which they manufactured. The opium was then auctioned at Calcutta, and the receipts credited to Government. A small amount of opium was taken by the Company for the Sumatra trade, but apart from this the whole opium traffic outside India was in private hands. In 1786 the purchasing and manufacturing contractors were eliminated from the monopoly system, and their place was taken by the State.

As the Company acquired new domains in northern India, the monopoly was gradually extended, but the profits obtainable from the taxation of the trade were greatly restricted by the fact that the poppy cultivation of Western and Central India, and especially of Malwa, was not under control. In 1818, however, owing to the Maratha war, the Company acquired the territory now constituting the Bombay Presidency, obtained a Protectorate over important poppy-growing districts, and gained command over the whole western coast-line excepting that of Sindh. Weakened by war, the Native States were unable to resist the pressure which was brought to bear upon them, and after much hesitation ten States agreed to grant to the Company the monopoly of the purchase of all opium within their territories. The exercise of this monopoly, however, aroused violent opposition amongst the cultivators, and led to much evasion, so that the treaties were cancelled in 1833, and a duty of Rs 125-175 was substituted on the transit of every chest of Malwa opium passing to the sea-board through British territories. In 1843 the annexation of Sindh gave to the Company the entire control of the coast-line, and the transit duty was gradually raised to Rs 600-700 per chest. Since that date the system of control and taxation of the opium trade has remained practically unchanged.

In the territories subject to the Indian Government the cultivation of the poppy is permitted only under a licence granted by the Opium Agent, and is practically confined to a compact area in western Bengal and the south-eastern portion of the United Provinces. Advances are given by the Government to all licencees to assist them with the cultivation of their crop. The licencee is bound to deliver up his entire production

to the Government Opium Agent, and he is paid for it at a fixed rate, the amount of the advances given being deducted. When received from the cultivators the crude opium is taken to the Government factories at Patna and Ghazipur, where it is manufactured into two different forms, known respectively as "provision" opium and "excise" opium. The provision opium is intended for auction at Calcutta and subsequent export, whilst the excise opium is intended for the internal consumption of the country. The amount of provision opium to be auctioned each month is notified annually, this amount is determined with reference to the supply, the reserve stock and the state of the trade in general.

The excise opium is distributed to the various district treasuries where it is sold, at a price which includes the duty, to licensed vendors and druggists only. In some districts, however, any person may buy opium "wholesale" from the Treasury.

In territories not subject to the Indian Government the cultivation of the poppy is practically confined to Malwa. As explained above, the opium produced there is not permitted to pass through British territory except on payment of a transit duty, thus duty has to be paid on all opium exported from Malwa. With the consumption of opium within the boundaries of the Native States the Indian Government has no concern.

As already stated, the opium traffic with China was first undertaken by the Arabs. We find an import duty on opium entered in the Chinese tariff in the year 1589, about which time the use of opium had begun to increase very largely. Early in the seventeenth century the habit of tobacco-smoking was introduced from the Philippines, this led to the use of a mixture of opium and tobacco, and finally to the smoking of opium alone. Of all the uses of opium its use for smoking purposes has the worst effects, and consequently we find that the extension of this habit in China began to cause alarm. In 1729 an edict was passed against opium-smoking, and the sale of opium for the purpose of smoking became a criminal offence. The importation of crude opium, however, was still legal,

although the Mandarins often extorted money from importers on the ground that their opium was for smoking purposes

About 1790 the Chinese Government observed that the payment for the import of opium was causing a drain of silver from the country. Formerly the foreign merchants had found difficulty in obtaining silver to pay for Chinese tea and silk, but finding opium in such keen demand, they were able to make their payments in opium instead of in silver. In order to check this drain of silver, an edict was passed in 1796 entirely forbidding the import of opium into China. The East India Company at once forbade its servants to engage in the forbidden traffic, but did not attempt to control the actions of private shipowners to whom they had granted charters. These private traders continued to engage in the opium traffic, and a regular system of contraband was established in the Canton River. If the Mandarins were content with small bribes, the opium was landed peacefully at the wharves, together with other goods, when the bribes became excessive, the merchants sold their opium to Chinese smugglers, who defied the preventive boats and landed opium by force of arms.

In 1834 the East India Company was deprived of its China monopoly, and the Canton merchants were thereby released from every constraining influence, smuggling became still more rife, and Europeans as well as Chinese engaged in the forcible landing of opium. At length, in 1839, the Chinese authorities had resort to force. General Lin seized the Canton merchants, and confiscated all the opium in their store-ships. The merchants, when released, proceeded to Macao, but had eventually to fly to Hong Kong. Captain Elliott, the Superintendent of Trade, made proposals for the abandonment of the opium trade by British subjects, but Lin refused to negotiate, and ordered war-junks to attack our vessels. In 1840 war was declared by England. The Chinese forces were easily disposed of, and by the treaty of Nankin (1842) British subjects were allowed to reside at Canton, Amoy, Foochowfoo, Ningpo, and Shanghai. British subjects were allowed to trade freely at these ports. There was one provision with respect to opium, the Chinese

Government were to pay the "sum of six million of dollars as the value of the opium which was delivered up at Canton in the month of March, 1839, as a ransom for the lives of Her Britannic Majesty's Superintendent and subjects, who had been imprisoned and threatened with death by the Chinese high officers." Lord Palmerston sent the following instructions to Sir H Pottinger respecting the opium question —

"It is of great importance with a view to the maintenance of a permanent good understanding between the two countries that the Chinese Government should place the opium trade upon some regular and legalized footing. Experience has shown that it is entirely beyond the power of the Chinese Government to prevent the introduction of opium into China, and many reasons render it impossible that the British Government can give the Chinese Government any effectual aid towards the accomplishment of that purpose. But while the opium trade is forbidden by law, it must inevitably be carried on by fraud and violence, and hence must arise frequent collision and conflict between the Chinese Preventive Service and the parties who are engaged in carrying on the opium trade. These parties are generally British subjects, and it is impossible to suppose that this private war can long be carried on between British opium smugglers and the Chinese authorities without events happening which must tend to put in jeopardy the good understanding between the Chinese and British Governments. Her Majesty's Government make no demand in regard to this matter, for they have no right to do so. The Chinese Government is fully entitled to prohibit the importation of opium if it pleases, and British subjects who engage in a contraband trade must take the consequences of doing so. But it is desirable that you should avail yourself of every favourable opportunity strongly to impress upon the Chinese Plenipotentiary by all the arguments which will naturally suggest themselves to your mind, how much it would be for the interest of the Chinese Government itself to alter the law of China on this matter, and to legalize by a regular duty a trade which they cannot prevent."

If, as has been alleged, the war of 1840 was entered upon for the sole purpose of maintaining the opium traffic, it is strange to find the British Government so modest in the furthering of their design. Those, however, who had the best means of judging held different views than this as to the main cause of the war. General Gordon, an avowed enemy of the opium

trade, wrote "The opium wars were not about opium, opium was only a *cheval de bataille*; it was against the introduction of foreigners, a political question" And we find missionaries expressing themselves to the same effect

After the conclusion of the treaty in 1842 the prohibition on the opium trade was not removed, but the illicit trade went on as before. The British authorities tried to confine all British trade to the treaty ports, so as to lessen the possibilities of smuggling, and the British Consuls frequently gave information to the Chinese officials with regard to the movements of smugglers. The Chinese authorities, however, remained inert, and did little or nothing to stop the traffic

The second war with China commenced in 1856, from reasons in no way connected with the opium question, and was brought to a conclusion by the treaty of Tientsin in 1858, whereby enhanced privileges were obtained for English subjects with respect to commerce, travel, and residence in China. The subject of opium was not discussed, and is not mentioned in the treaty. Shortly after the conclusion of the treaty, however, negotiations for the revision of the tariff were undertaken, and when the new tariff appeared it was found to include opium. It was only natural that opponents of the opium traffic should be somewhat suspicious of the circumstances under which the prohibition had been removed, and it was frequently stated that China, weakened by her defeat, had been unable to resist the pressure brought to bear by the British Commissioner Mr. Oliphant, who had been appointed Commissioner for the settlement of these proceedings, states, however, that "When we came to the article opium I informed the Commissioner that I had received instructions from Lord Elgin not to insist on the insertion of the drug in the tariff should the Chinese Government wish to omit it. This he declined to do"

After the removal of the prohibition, questions regarding opium only arose at the decennial revisions of the tariff. In 1868 the Chinese Government asked for the absolute prohibition of the export of opium from India, but, failing to obtain this request, they obtained an enhancement of the import duty.

Again, at the convention of Cheefoo in 1876 it was proposed that all opium should be bonded until sold, and that when sold the importer should pay the duty and the purchaser the local dues or *li-kin*, and both to the Foreign Customs Inspectorate. Formerly *li-kin* had been paid to the local authorities, and had been in the nature of a variable and oppressive transit duty. This article of the Cheefoo Convention, however, was not ratified until 1885, and from that date until 1906 the opium trade between India and China has proceeded on the same lines.

The history of the anti-opium movement in England runs parallel to the course of events in the East. The first China war was succeeded by an agitation in which Lord Shaftsbury took a leading part, and in 1847 he became first President of the Society for the Suppression of the Opium Trade. In its early days the society had two main objects, firstly, to dissociate the Government of India from any direct connexion with the opium traffic, and to confine it to the taxation and regulation of the trade as carried on by private persons, and secondly, to prevent the so-called forcible introduction of opium into China. When, by the ratification of the Cheefoo convention in 1885, it became clear to all that in the future the introduction of opium could under no circumstances be termed "forcible," the dissolution of the Anti-opium Society was discussed, but it was decided to continue the agitation on a different basis. Accordingly the society now began to turn its attention towards the evil effects of the drug in India, and advocated a total prohibition of its use except as a medicine.

In consequence of a resolution of the House of Commons in June, 1903, a Royal Commission was appointed to discuss the moral and financial aspects of the opium policy of the Government of India. The following are the conclusions of the Commission with regard to the principal points considered. As to the evil effects of opium consumption in India—"the use of opium is as a rule a moderate use. we have no hesitation in saying that no extended physical and moral degradation is caused by the habit." As to stopping the transit

of Malwa opium through British territory—"by paramount considerations of fair dealing and good faith the Government of India is precluded from withdrawing the right of transit except with the free consent of the protected States. It seems probable that the more important States would not be prepared to accede to a measure of this kind." As to the discontinuance of exporting opium to China—"were the importation of Indian opium to be stopped, China would, in a few years, so increase her production as not only to supply her own wants but probably to export opium to foreign countries." As to the total prohibition of the use of opium in its financial aspects—"The evidence may be considered unanimously adverse to the imposition upon India of the cost . . . of the prohibitive measures which have been proposed." As to total prohibition in its moral aspects—"The moral and physical effects of the opium habit in British India and the Protected States are not of such a character as to call for the enforcement of prohibition except for medical purposes."

In the year 1906 the Chinese authorities put forward proposals for the gradual suppression of the opium traffic, and accompanied these proposals by the issue of edicts declaring that the cultivation of the poppy and the smoking of opium at all places within their territories must be absolutely abandoned within certain stated periods. After consulting the Government of India, the British Government informed the Chinese Government that (1) they accepted in principle the proposal that the import of Indian opium into China should be diminished by one-tenth annually, *pari passu* with an equal decrease in the production of the native drug, up to the year 1910, and they would continue to reduce at the same rate the export in 1911 and subsequent years on proof that China had carried out its share of the arrangement, (2) they had no objection to a Chinese official being stationed at Calcutta, provided that he had no powers of interference, and (3) they were prepared to assent to such enhancement of the customs and li-kin duty on foreign opium as would make its taxation in China equivalent to the taxation actually levied on native opium.

Steps were taken to reduce the area under poppy in Bengal, which in the five years preceding 1906-7 averaged 615,000 acres, and in 1907-8 was not to exceed 526,000 acres. The number of chests of Bengal opium fixed for sale during 1907 was reduced to 4000 a month, while for 1908 it was fixed at 3900 a month

These measures, if persisted in, will mean the practical abandonment of the Bengal opium monopoly, and will produce far-reaching changes in the trade and finances of India. The effects of the present export duty may be divided into (1) those due to its position as a fiscal resource, and (2) those due to its influence upon the equation of reciprocal demand. To take the latter effect first, the export duty, by reducing the Chinese demand for Indian goods, probably affects adversely the terms on which India conducts its foreign trade. *A fortiori*, the total prohibition of the export of opium will affect the conditions of exchange still more adversely.

When the question of the abolition of the opium traffic was first mooted India had a silver standard, and the discussion therefore turned to the effects of such a change on the gold price of silver. It was maintained by some that the discontinuance of the opium export would check the flow of silver from China to India and so raise its gold price. Sir David Barbour, however, strongly traversed this view, which, indeed, is obviously false.

Secondly, considering the export duty as a tax, its burden probably falls largely upon the foreign consumer. The Indian drug, owing to the character of the soil on which it is grown, and the excellence of its manufacture, is greatly superior to the Persian and Chinese opium, it commands in China a price sometimes equal to double that of the home-made product, and is only consumed by the wealthier classes. India, then, has a practical monopoly of the superior grades of opium, and the demand for this opium, being confined to wealthy consumers, is inelastic. For these two reasons it is probable that the greater part of the tax is borne by the Chinese consumer. Part of the tax, however, may fall upon Indian landlords, for it tends

to restrict the area of land under crops and so raises the margin of cultivation and diminishes rents.

The relinquishment of the opium monopoly would have a serious effect upon the revenues of the Indian Government. In 1907-8 a net sum of £3,572,000 was obtained from the Bengal monopoly, and the Pass Fees on Malwa opium, being 8·6 per cent of the net total brought in by the earning departments. The relative importance of the opium revenue has been declining for some time, 1879-80 it constituted 16·5 per cent, in 1893-4 it was 9·3 per cent, and in 1903-4, 8·4 per cent. of the total net revenue, but it is still large enough to be a very important item in the Indian budget. In addition to this direct loss which would be incurred by its abandonment, there will be an indirect loss of Land Revenue, opium is a very paying crop, and the land on which it is cultivated can bear easily a heavy assessment. If the cultivation of opium were to be prohibited, the assessment would in all probability have to be reduced.

The prohibition of the opium traffic with China would also cause difficulties with those Native States which export the drug. According to the Opium Commissioners, "by paramount considerations of fair dealing and good faith the Government of India is precluded from withdrawing the right of transit" without the consent of those States, a consent which it is not likely to obtain. In any case the Government of India would have to give compensations to the Native States for the financial loss caused by the prohibition, and would also have to incur the expense of maintaining a preventive cordon around their borders in order to stop smuggling.

These and many other difficulties lie in the path of the new "reform." It is certain that the growing revenues of India will be equal to the burdens thus imposed upon them, but it is equally certain that these burdens will seriously hamper the progress of fiscal reform for some time to come.

D. A. BARKER.

KARL MARX'S THEORY OF VALUE.

VALUE, as it is conceived in Marx's theory of value, is distinguished by him as value in exchange from utility, or value in use. Value in use depends on the nature of a thing, but does not necessarily go with value in exchange, or "value." This value in a commodity is congealed labour-time. But the thing which becomes a commodity and a depository of value must, as he allows, have some value in use. Further, the degree of value in exchange depends on the quantity of labour-time consumed in producing the thing, but we must look not to the amount of labour which was spent in making this particular thing, but to the average amount spent in making that kind of thing, moreover, although there are different kinds of labour, yet since the higher labour needs more training, and for this a greater expenditure of food, clothing, and such articles as require for their production, and embody, ordinary labour is demanded, this higher labour may be equated to so much ordinary labour, and all value reckoned in terms of homogeneous labour-time.

A man who makes his own shoes and clothing, if he spends a week in making a coat, and half a week in making a pair of boots, does not on that account consider their value, neither, if a community is engaged in making all it needs, and shares the product as needed, does value arise. But if separate producers make for exchange, the question of value arises—commodities (in the economic sense of the word) then first exist. And an exchange is just, if the articles exchanged embody equal amounts of average labour-time.

But a capitalist, with a raw material whose value reckoned in labour-time is (say) 10x (including the value of what is used up of his plant and machinery in the process), if he embodies

in this material a further value of $10x$ through the labour of his workmen, expects to sell his product not at $20x$, but (say) at $25x$ How does this increment of $5x$ come?

It comes, according to Marx, through the surplus value produced by labour. Suppose that, in order to maintain the workman in good health and strength (with allowance for the needs of his family, so that he may replace himself by another workman in the next generation), there is needed food, etc., of the value, reckoned on a basis of average labour-time at $2s\ 6d$ a day, such a man can put in (say) six-fifths of the labour required to produce what maintains him, hence there is a surplus of one-fifth, = $6d$ This the capitalist takes, and in that way pockets, and amasses, surplus value Such a state of things arises through the fact that labour has become itself a commodity, men bring their labour to market, and having nothing else to offer in exchange for the commodities they require, and being unable to go without these latter, they must take commodities of less value than the labour they give.

This doctrine seems to be a development of the view that what, in the long run, determines value is cost of production, cost being reckoned in hours of labour Marx assumes a certain average or normal intensity of labour, and what he seems to think just is that, in exchange for what has cost him (say) eight hours of such labour, a man should receive what has cost eight hours of such labour to others His theory does not allow any difference in the value of equal quantities of labour of different qualities There is, of course, difference enough in the utility, or value in use, of different qualities of labour, but so soon as we begin to express them all in terms of a common denominator, we assume there is something homogeneous in them all, that homogeneous something must be what goes to determine value, since value is treated as commensurable; and there is nothing homogeneous but labour, regarded as of one average intensity, but variable in duration

But it is to be observed first of all that the mere fact of embodying or congealing so much labour is not what gives a thing value, for if it were, the thing made laboriously by an

unskilled man would be worth more than the like thing easily and rapidly made by a skilled man. We do, indeed, look on the works laboriously produced by men with little mechanical skill and poor tools with a special interest and affection, but in actual exchange such a thing is reckoned no more valuable, and the reason is, that the man who produces more easily is prepared to give his article in exchange for what has cost the buyer, say, eight hours' labour, and so the other man, even if he spent twenty-four hours in making his article, must do the same. Now, this would not be just, if labour-time embodied in an article did as such give it proportionate value, even as, if it be supposed that sugar embodied in food and drink gave them their exchange value, it would be swindling to offer a pudding that contained one pound of sugar for another containing three pounds, on the ground that one pound was enough for the pudding, since, nevertheless, the other pudding does contain three times as much of what constitutes value.

The value, then, of a particular thing is taken to depend on the *average* labour-time embodied in things of the kind. But this falling back on the average labour-time embodied in a commodity amounts to denying that justice requires that, for what it costs a man eight hours' labour to produce, he should get what it costs any other man eight hours' labour of the same intensity to produce. Such a view of natural justice would not hold (consistently with the doctrine of average labour-time) even where the labour is of the same quality. For if A is slow and stupid, and B is of average quickness and intelligence, then according to Marx the value of the commodity produced by B in eight hours will be more than that of the commodity produced by A, though both work with equal intensity, and so it is just that B should receive more in exchange, because he is a different kind of person.

Now, this being granted, we may go further, and ask whether it is not just that one man should get more in exchange than another man for eight hours of his labour, because the quality of work he does is different. Marx, because he finds that all kinds of commodities are estimated in terms of a common

measure of value, thinks there must be something homogeneous in them all, finds it in the embodied labour, and of this thinks it unjust that any one should take more than he gives. He gets over the difficulty presented by the manifest fact that a scientific instrument maker's time is more valuable than a journeyman bricklayer's, by considering that the former needs a longer and more elaborate education. And if we consider what is needed for the erection of laboratories, the making of instruments, the support of researches, the seeking out rare specimens of this or that, the provision of teachers, etc., we may allow that the average cost, in hours of ordinary unskilled labour, of producing a scientific instrument maker, is very likely fifty times that of training a journeyman bricklayer. But why will that justify the instrument-maker in charging more for his day's work than the bricklayer? It will not, in Marx's view, except so far as the price goes to pay for his materials, teaching, etc. The just price of a sextant, if we put the remuneration of average labour at 6*d.* an hour, will be so many times 6*d.* as there are hours of average labour that have gone directly or indirectly to the production of the sextant, but average labour must be reckoned at 6*d.* per hour, whether it be devoted to grinding lenses or to grinding corn. We may observe that labour can only be average labour in the sense of being of the average efficiency of the labour exhibited in the particular kind of work. There is no other sense in which you can talk of an average, for an average can only be struck where the things are commensurable, even of the intensity of labour we can only obtain an average by reference to the quantity of a homogeneous output, or of foot-pounds moved, or of something else properly addible. There is no possible average of labour according to its kinds. Hence, in computing the just price, or proper value, of a sextant, we ought not to allow for the person's quality of work. The sextant will, of course, be sold at a higher price than a brass trivet, because its price must pay for all the hours of labour directly or indirectly spent in making it, but the scientific instrument maker who finishes it will not get a greater profit than a whitesmith making a trivet, if the

price is to be just, in other words, he, when he has paid his workmen, and those who supply him with any materials or parts that he buys, will clear only such a sum as represents 6*d* an hour for the time he has spent on the business. It might, indeed, be argued that such a man needs rather less common food or housing than a whitemith merely to keep him physically efficient in this case he ought to receive so much more as will pay, at the rate of 6*d* an hour, for the extra labour spent in providing him with these necessities, but that is the utmost to which any claim could be allowed for extra remuneration to him in respect of the quality of his labour.

If we take the case of a man who does not produce material and transferable commodities like a sextant, but performs difficult and important services such as those of a consulting physician or a lawyer, we shall have to say that, in addition to what is needed to provide him with plant or material, he is, on Marx's principles, only entitled to the remuneration of average labour time—"the labour that forms the substance of value is homogeneous human labour, expenditure of one uniform labour power." Supposing that the physician could get the whole of his scientific training on credit, and that his consulting-fee were such as allowed him, if he had an average practice, to repay what he had borrowed, with any interest that was necessary, if interest were allowed, and left him a remuneration of 6*d* an hour, or so much more as the superior food and other necessities he required might demand, then he would be charging a just fee. It is difficult to see how such an arrangement could be made, and if it is not made, it would seem that those who are to become physicians must have private means to support them during their training, but the fee might be enough to replace the means they exhausted, and leave the surplus mentioned. Or else—and this would be more in accordance with socialist wishes—all accumulation of means should be in the hands of the State, which out of its stores should maintain those who were fitting themselves to render valuable and marketable services, the services themselves could then be charged for according to their value as embodying homogeneous

human labour, and the physician justly remunerated at the same rate per diem as the journeyman bricklayer.

These seem to be the logical consequences of saying that the value of anything is determined by the quantity of homogeneous human labour congealed in it. When the capitalist is denounced as unjustly annexing surplus value, it is implied that the proper value of the commodity he sells is proportionate to the quantity of homogeneous human labour put into the production of it, whereas he charges a price that it would be just for him to receive only if it needed a whole day's labour to produce what will support a labourer for a day. Inasmuch as the labourer in a day produces commodities embodying, say, six units of homogeneous human labour, and in so doing consumes commodities embodying, say, five such units, the capitalist arranges to pay him in the value of five units, and to bag the surplus. But what ought to happen, if justice were done?

This is rather a difficult question. One might suppose that, as the labour embodied in anything gives it its value, the whole value in an article belongs to the labourer whose labour is embodied in it, in proportion to the contributions. This is, I think, Marx's theory of what should happen if the capitalist system of production, by which (as is alleged) men annex a share of the surplus value who have not contributed to the production of it, were done away with, in favour of a just system. Now, the production of surplus value means, of course, the production of a greater stock of commodities than is consumed in producing them, or of an equal stock of better commodities. You cannot put labour indefinitely into an article like salt into the sea. Penelope's web does not become more valuable by being so many times woven and unwoven. Moreover, as we must remember, there is no exchange-value in an article that has not also some value in use, nothing becomes valuable by being made a mere dumping ground for congealed labour. The surplus value, then, is embodied in an increasing stock of things that have a value in use, and in point of fact wealth would never increase, if it took the members of a community all their time to replace the stock of material goods at the rate

at which they consumed them I suppose this might occur, either in a country where the soil was so niggardly, stone so hard, timber and metals so scarce, animals so few, that the whole of men's time, even with the most economical distribution of labour, was only sufficient to provide the bare necessities of food, housing, and clothing for a stationary population or where, though a very much higher standard of material comfort had been reached, yet methods of cultivation, etc, had been brought to the highest perfection of which they admitted, and the country would not support a larger population with an increase of return proportionate to the increase of numbers, though whether science and invention and co-operation have anywhere brought a community near to this limit, we need not decide.

There is, then, a growing stock of commodities, to embody the surplus value which is, as it were, continually rolling up And the contention must be that the labourer who exercises this homogeneous human labour, producing what embodies more of it than was embodied in what he has consumed, is entitled to take, and (presumably) to consume the difference But we must pool the surplus Supposing, in the production of a brass trivet, the miners, brass-founder, transportation agents, etc, all have a share, as well as the whitesmith, it would not be right for them to receive merely the equivalent of their labour, and for the whole of the surplus value to go to the whitesmith But how are we to arrange that the surplus should be distributed among them proportionately to their labour time? The higgling of the market cannot do it, and I do not see any other way of securing it, than for all produce to be delivered to and given out again by public authorities, proportionately to the hours of homogeneous human labour that different workers had put in. Yet this method cannot be applied to the results of the labour of those who do not produce commodities, but render services—physicians, schoolmasters, actors, etc Perhaps it will be said that the State might price both services and commodities at rates that vary as the labour that has been embodied in them, and, giving every one cheques according to his hours of labour, might leave him free to buy as he pleased the advice of a

physician or the products of the whitesmith. But apart from any difficulties due to the fact that if there was a run on the services of the physician he would prove to have been underpaid (these might to some extent be met by an eight hours' bill), there is the greater difficulty, that the determination of the value of each commodity upon the basis of the amount of labour congealed in it would be quite impracticable. We need not pursue these reflections further, all they are intended to indicate is this, that the proper and logical result of the Marxian theory of value, if taken as explaining what it is just that a man should get for his labour, is an extreme socialism of this kind, in which all labour of equal intensity is equally remunerated, and all wealth is concentrated in and distributed by the hands of the State.

We may, however, ask what ground there is for accepting the theory. And here, first, we must distinguish between the theory as an attempt to determine what does in point of fact determine value in exchange—*ie* the amount of other commodities which will be given for any one, and the theory as an attempt to determine how much a man ought to get in exchange for what he gives. In the first aspect, the theory is obviously incomplete. Value in exchange depends no doubt to some extent on cost of production, but it also depends on the relation of supply and demand. Where increased demand can be met by increasing the supply, and that with sufficient rapidity to prevent a temporary period of scarcity prices, or, if the demand can be foreseen, by taking early steps to have the supply ready, even though the provision of it is a matter of some time, there it is plain that people will meet the demand. But this they will not be prepared to do at a loss to themselves, on the other hand, they will be unable to get any unusual profit, for if A were unwilling to work for less than 10 per cent profit, he would find that B, who was content with 5 per cent, would undersell him. Hence the price of the article will be determined by the cost of production, but in determining the cost of production we must look to the normal remuneration for which different classes of persons are ready to work. In making slop

clothes, for example, the actual sewers are unfortunately in a position in which they are ready to work, say, for one shilling a day, but the contractors who give work out to these men or women, would not work for a less profit, perhaps, than five shillings a day, and the satisfaction of both of these parties enters into the cost of production. A great many varying circumstances tend to determine what cost of production shall be. A particular kind of work may have got into the hands of a ring, and they may be strong enough to keep out interlopers who would be ready to do it cheaper, then their product costs what they insist on demanding, up to the limit at which there would not be buyers, and so far as it enters as raw material into the making of anything further, for the simple reason that the man who needs it as his raw material cannot get it cheaper, this high price is part of the cost of production of the final article. On the other hand, if the ring in question were of persons who sell the final article, we might say that they charge out of all proportion to the cost of production, meaning that they get a profit unusually large in comparison with what it cost them to put the article on the market. It will be seen that in the latter case there is an artificial restriction of supply and that what enables them to get so large a profit is that there are not enough people both able and willing to produce the article at the price x , to satisfy the demands of the people ready to pay $x + y$, therefore those who can produce it at x naturally charge $x + y$. If the ring were broken down, the price would fall, as it would also fall if the number of people ready to pay the price $x + y$ fell so far that their demand was collectively for a lesser quantity than what the members of the ring were producing. There are, of course, various devices, of restricting output, etc., for coping with this emergency, and it must be remembered that though a ring has been spoken of, yet, in fact, the high profit made in a particular trade or business may be due not to anything so artificial as a ring, but to the mere scarcity of some particular kind of ability needed—as in the case of the gains of a great singer. All these facts are presupposed when it is said that value in exchange depends on cost

of production *eg* if the provision of music at meals becomes part of what is expected of a Transatlantic Steamship Company, it might be said that the wages of good musicians entered into the cost of production of the article first-class transportation which the company sold, although the musicians' wages were determined not mainly by the cost of production of their skill—if that was anything more than ordinary—but by its natural scarcity. In all this, then, there is nothing to countenance the view that what has entered into the cost of production is only so much homogeneous human labour. On the contrary, we must recognize as elements in the cost of production kinds of labour whose own remuneration may be determined by relations of supply and demand. What is meant is, that when supply can keep up with demand (it may be added, where it does not run beyond it, and create a glut), then the profit made upon the exchange of an article cannot bear a greater ratio to what it costs to produce it, than what normally satisfies the class of persons engaged in providing it for exchange.

It is clear then (a) that cost of production does not alone determine value in exchange, (b) that where it does so from the point of view of one of the many parties engaged at different stages in the production of a commodity, it need not do it from the point of view of all of them, (c) that in considering what production actually costs, so far as that settles exchange-value, we recognize that labour is not homogeneous, and that different kinds of labour are very unequally remunerated.

When we turn from the theory as a statement of economic facts, and consider it as a principle that is to settle questions of social justice, we may first of all ask why it should have seemed suitable for this purpose. And here we should, perhaps, attend specially to the case of the man who offers his labour, and not commodities, for purchase. If it is once held that the exchange-value of a commodity is in point of fact determined by cost of production, and if we ask in what this cost is to be reckoned, we find the following result. To produce one commodity we need another, and for that a third, and so on; but always in the last resort we get back to the labour needed, for even in the

case of raw material, unless it can be had for nothing, like air, under ordinary circumstances there is labour involved in getting it, and when, besides the price that represents the labour, there is a price that represents the private ownership of the article, such as a royalty, the latter will of course be denounced as an unjust element due to an arbitrary monopoly, on the ground that it cannot be shown why the owner, rather than any one else, should have it. To labour, then, we always come back, as that without which the article would have no exchange value, except for unjust monopolies. Now, suppose a man is offering his labour for sale. Here is at last something of like sort with the one thing (out of all that has gone to the making of the things for which he exchanges his labour, except, again, for unjust monopolies) not reducible to terms of something else. The raw material under monopoly ought not to belong to one man more than to another, therefore the seller of labour ought not to be charged for that, *i.e.* to have to give his labour for it. What he ought to give it for is, then, the labour of others embodied in, or that has gone to the production of, the commodity. We are now past the difficulties of comparing heterogeneous things—reckoning the value of corn in terms of shoes, or shoes in terms of cotton. We are exchanging labour for labour, and what more easy and simple than to assume that it is homogeneous, and that as I cannot fairly exchange 1 lb of gold for less or more than 12 oz, so I ought in fairness to exchange my day's labour for another man's day's labour, or if there happens to be a surplus for distribution, that still it should be distributed proportionately to the contributions of this identical article?

There is, of course, a sense in which labour of different kinds may be reduced to terms of a common denominator. If the value in exchange of a given commodity, say a quarter of corn, is equal to twelve days' wages of an agricultural labourer, and to 30s of money, anything else reckoned in money may be reduced to terms of homogeneous human labour on the assumption that 2s. 6d represents a day's labour. It is also true that, as Marx says, one reason why commodities in which higher labour is embodied have a greater value in exchange is that for

the training of the man who exercises the higher labour there has gone directly or indirectly more of ordinary labour than goes to the training of the ordinary labourer. But we have seen that something else has helped to determine the greater exchange-value of these commodities, viz that men distinguished by their special skill or other differential advantages have claimed a larger remuneration for their labour. This remuneration can of course be reckoned in terms of ordinary labour, if we please, and then the exchange-value of the commodity in question may be said to be due to its embodying so much homogeneous labour, but if we could calculate the amount of time which has been spent directly or indirectly in the production of it, we should find that it was less than what its value as estimated in labour-time indicated, just because we should have translated hours of higher labour into terms of days of ordinary labour. In other words, different kinds of labour have a different exchange value, not only because of the different cost of producing them, but also because they are of different degrees of scarcity relatively to the demand for them which their utility creates, as well as for other reasons, consisting in the power of custom, combination, etc, to bring it about that one man can demand more for his labour than another.

Even then, if we allow that what determines the exchange-value of a commodity of which the supply can be made equal to the demand, after setting aside any power which the privileged owner of the raw material may have to refuse to part with it unless in exchange for other things, can be nothing but the fact that there has been employed in bringing the commodity to its present state labour which a man will not expend for nothing—and this is apparently what is true in Marx's contention that exchange-value is congealed labour-time—it does not follow that this labour is all in point of fact equally remunerated so far as it determines exchange-value, and a mere reduction of it for purposes of estimation to terms of homogeneous, *i e* really, equally remunerated, labour does not alter the fact that naturally labour of different kinds is not all equally remunerated, and by "naturally" is here meant, independently of the special features

of a capitalist system of production. It may be said in passing, that homogeneous *must* mean equally remunerated labour, for of course the differences in kind of labour do not of themselves furnish any common denominator, and we could not say how much labour of digging was equal to how much labour of diamond-cutting, unless we could say how much of the same thing, such as corn or silver, would be given for equal times of both.

Labour that, on account of the special skill displayed in it, or for any other reason except differences in the cost of the training by which a man is fitted to exercise it, commands a higher than ordinary remuneration, does then exist and help to determine the exchange-value of commodities. But is it just that it should be so? or can we condemn it by the same principle by which we might condemn the power of a man to extort goods in exchange for raw material which just happens to be his property rather than another's? We need not here argue the question whether this latter sort of property is justifiable or not. At the outset, appropriation was clearly inevitable, even now, socialists have not carried their denunciation of it so far, but that they recognize that a particular nation or community may appropriate a section of the earth. But let us assume that within this community there should be no appropriation of raw material, and that so far as the exchange-value of commodities depends on the fact that something has to be given for the raw material apart from any labour that is spent on it, this value should be shared equally, or—what would come to the same thing—abolished. We have to ask if the same sort of line can be taken about special ability. A has great natural skill of eye and hand in grinding lenses, B has a wonderful memory for tides and currents and all the signs of land and sea and sky by which a seaman is helped in navigating a ship, besides having quickness and determination, C can only do hodman's work. Are we to distribute equally the exchange-value produced by their several kinds of labour, so long as they labour equally—*i.e.* as long and with the same intensity, if the latter can be equated—in their kinds? They certainly did as little to

furnish themselves with their congenital skill as the proprietor did to become entitled to the raw material he has appropriated, though the latter arrangement is artificial in the sense that man might have arranged it otherwise, and the former is not. And this seems at bottom to be the only ground for the claim that labour of different kinds should be equally remunerated, after allowing for the different cost of producing or training it. It is like the Benthamic principle in regard to the distribution of happiness, that every one should count for one, and none for more than one, but with this difference, that equal happiness can be found in very various stations and fortunes, so far as we can estimate, and therefore we are not by Bentham's principle driven to a levelling of conditions, whereas equal remuneration in material goods means the abolition of most of the variations in a community, without being a guarantee of equal happiness.

Even the maxim that all persons have a right to be equally happy is difficult to maintain, unless happiness is to be without regard to character. But that all persons have a right to be equally wealthy is much less plausible. For wealth at any rate is not the end of life, and though we should all agree that there are too many people whose lives are made unhappy by lack of sufficient material goods, and some whose lives would be happier for less of them, it would be absurd to say that an equal distribution of material goods would equalize happiness. A did not give himself his skill of hand and eye, granted, and neither, perhaps, does a man give himself his character, or if we allow to the libertarian that a man may in some sense do the latter, he will urge also that much of a man's skill depends in his adult life on what his character has been. There is, then, even in that which has exchange-value, much that depends on character (as indeed the value of a "character" to a servant shows, the malicious withholding of which is matter for suit in the law courts). And even apart from that, are skill and ability to be treated as adventitious to a man, like property in a coal field? What then is the "man," to whom they are adventitious? The fact is that there is nothing to support the doctrine that in justice, human labour, as the measure of

exchange-value, should be regarded as homogeneous, except the assumption that men should be equally remunerated for equal amounts of work, because they are equally men. Why, then, for equal amounts of work? One man is naturally lazy, and another active, why not remunerate according to the effort it costs them? But why, it will be replied, should we give to those who will not work? There is certainly a sound economic reason against it, that if we do we shall discourage work, and there will soon be nothing to give. There is an equally sound economic reason for giving more to those who have special ability, if they cannot otherwise be induced to employ it. But what reason is there, drawn from the first principles of justice? Is it obviously just that men who work equally long should receive equally, even though one man enjoys his work and another does not?

The fact is that, whether or not all men are equal—which is a very obscure saying, as it fails to indicate what is being equated—they are certainly not all alike, and it is quite arbitrary to take the one particular, of duration of labour, supposed equally intense, and say they should receive equally of material goods according as they are equal in that. It will not be alleged that equal duration of labour means equal worth in all respects—makes men equally worthy of affection, confidence, or power. Why does it make them equally worthy of material goods in exchange for that labour? It would not have been supposed to do so, but that in point of fact labour is exchanged for material goods, and the amount for which it is exchanged is determined again in large measure by the amount of labour that has gone to the making of those goods.

No single abstract principle can settle what it is just to pay for a man's labour or goods. Where any rule is accepted between persons, it is, of course, unjust to depart from it. Where workers not only labour equally long and hard, but in the same kind and with the same skill, it might seem unjust that they should be unequally rewarded. Yet here we should add, by the same payer, it is doubtful if it would be desirable to avoid inequalities of remuneration by having only one

paymaster, the State What is important to men is not that they should receive as much of material goods as any one else doing like work, but that they should receive enough to provide the basis of a certain kind of life And this kind of life is not the same for all The problem set is enormously complex It is not necessarily unjust for a rich man to pay a poor man three shillings or half a crown for a day's work, even when that is not enough to enable him to maintain his family, because we must in these matters go by rules, and to pay for services according to the needs of the person rendering them, and not the nature of the service, would result in confusion and misery The rules may want altering, and the alteration of them may be very difficult, and may involve not only advantage to some who are now, as we judge, unduly depressed, but hardship to others according to no principle of equal distribution. Such problems, like other problems in conduct, must be settled as they arise, with the best thought we can give them There is no infallible criterion in other departments of conduct, and we must not expect to find one in regard to the distribution and exchange of commodities Socialism cannot be reasonably defended on an abstract principle of justice, since there is no abstract principle that will tell us what is just Those who desire a reconstitution of society for other reasons will naturally be attracted by a theory which seems to deduce the conclusions they desire from such an abstract principle But the only real defence of it must be one that is much harder to give a demonstration that the arrangements it proposes would work successfully in the production of such kinds of life among the members of the society as would on the whole be preferable, in respect especially of what we consider the chief elements of human good, not only to those which are lived as things now are, but to those which might be rendered possible through any other changes that might be made instead

H. W. B. JOSEPH

NOTES AND MEMORANDA

THE STUDENT CHRISTIAN MOVEMENT —It rather savours of commonplace to talk of the influence of the rich and cultured upon national character. But however much we may dislike speaking of "upper and lower classes," it remains an established fact that people will almost always copy the manners and habits of those more wealthy than themselves, and occupying a higher position in the social scale. The characteristic is not entirely unsatisfactory, even though we admit that it is largely produced by snobbery and a desire to be thought superior by one's equals, for in the long run it probably makes for progress, in spite of many retrograde movements. It cannot be doubted that this trait in human nature adds enormously to the importance of the universities and colleges of the world. For example, no one can deny that in the eyes of the mass of the people of this country an Oxford or Cambridge man occupies a very exalted position. Whether or not this is entirely justifiable is not at present under discussion. The same is true in a lesser degree of the more modern universities. Hence then the urgency, whether considered from a religious or social standpoint, of keeping college life, thought, and work at the highest possible level.

Most people acquainted with the facts would admit that one of the most potent influences during recent years on the college life of this country—and indeed of the world at large—has been the Student Christian Movement. Under the discreet and vigorous guidance of the Secretary, Mr John R. Mott, some really notable work has been accomplished. The society is avowedly, and even clamorously, interdenominational, and has thus contrived, to no inconsiderable extent, to bring together Christian people of very various ways of thinking. There is the obvious danger of its members regarding it as a substitute for organized religion, for which reason Churchmen have been somewhat reluctant to support the movement. It is easy to talk of going back to the simplicity of the early Christians, but the point of the Churchman's contention is not the simplicity nor the elaboration of worship, but the essential nature of Church-membership and the normal method of union between man and God. However, the leaders of

the movement are fully alive to this danger, and that is all that is necessary

The Student Movement has up till quite lately stood for two things—the necessity for individual religion, for personal union with our Lord, and the urgency of what has been termed the “Foreign Missionary Call” Whatever of revived interest there may be among the students of this country in the cause of foreign missions must certainly be due, in no small measure, to this agency But the movement has recently taken up the social question Nor is this to be wondered at, for great importance is attached to the formation in colleges of circles for Bible study, and, as the Bishop of Birmingham said at the annual meeting of the Christian Social Union at Bolton this year, the Bible is saturated from end to end with social teaching, greatly and grievously though the Church has overlooked this fact in the past The idea of circles for social study was started, and Mr Malcolm Spencer brought out a book entitled *Social Degradation*, which was designed to facilitate such study It was reviewed in the last April number of the *Economic Review* This was followed by a small conference, held at Matlock in the spring of this year, on the attitude of the movement towards social problems A most interesting report was written by Mr Frank Lenwood, who has since sailed for India, called *Discipleship and the Social Problem* These steps must be regarded as highly significant, and it would be difficult to overrate their possible effect

Mr Spencer has now produced a second volume, *Social Reclamation*, on the same lines as the one mentioned above, but while the earlier book dealt with the problem and its conditions, the new volume aims at showing students possible ways of helping towards some solutions. It is not above criticism For instance, in the chapter on Clubs, I should like to have seen some reference to the importance of making the boys pay something, however small, towards the Club, and also to the various sub-societies connected with it. Further, Mr Spencer does not seem to be aware that it is possible for clubs and institutions in London to get a grant for educational purposes from the London County Council, provided the teachers are approved by their authorities, and a register is kept in accordance with their regulations. Nor is quite enough made of the importance of teaching about thrift, especially in schools and clubs No club ought to be without a savings bank, with a small rate of interest to encourage the members, or, better still, a loan club, to which the boys’ parents may be admitted This latter can be run with entire satisfaction to all those who join, at no expense to the management, and has the inestimable advantage of keeping subscribers out of the public-house. However, Mr Spencer’s book is

of real value and most welcome. A list of books is given at the end of each chapter, in which the subjects may be further studied, there is an appendix showing those who are stirred to action where they may apply for directions

There is, of course, no easy and comfortable solution of our difficulties, indeed, only strenuous effort and a readiness to face discomfort will find the way out. It is because people shrink from this that they put such unlimited and pathetic trust in Acts of Parliament. In other words, self-sacrifice, individual and corporate, is the one essential element, and there are but two motives which can impel to this, love of God and love of man. If once the students of this country are thoroughly roused, we shall make rapid progress. Quite apart from the influence they will exercise, these are the men who can serve as School Managers, on Boards of Guardians and Public Welfare Councils. Perhaps some day it will not be too much to ask young men to sacrifice the glorious, but often singularly ineffective, position of a Member of Parliament, in favour of hard but most useful work on Borough Councils and Municipalities

E P SWAIN

POOR LAW REFORM—Partly owing to political causes, the past few months have given a breathing space to Poor Law controversialists. This is welcome for the opportunity provided for hard if unobtrusive spade work, and for a fuller ventilation and discussion of the question. The Report on Scotland has also appeared, and with it a weighty and not unjustifiable Memorandum by the Chairman, who complains that "what purports to be their (the Minority's) report on Scotland is not a report upon that country or dealing with the peculiarities of the system in force in that country, but it is an enlarged and varied edition of their original proposals intermingled with a new set of comments and criticisms upon the proposals of the Majority."

In fact, whilst there is very much that is admirable in the work of the National Committee for the Break-up of the Poor Law, this body has shown itself liable to excesses in many directions. Its work in keeping the question before the public, in educating public opinion, and in pressing for immediate legislation is beyond all praise. But one may well question the wisdom of the attitude of its supporters towards the Majority Report. The tendency has been too much to hold it up to derision, and to mingle with much sound criticism of its proposals, much also that is captious and carping. Moreover, the attitude of the more feather-headed supporters of the Minority is marked by a self-assured impudence that can only result from consummate

ignorance. Such faults as these are a pity, for they hinder the very great work of the National Committee, a work that will do much to bring about a large and consistent scheme of reform. But to divide reformers into two camps will only hinder, and perhaps spoil, the work. At least there is a danger, if present tactics be persisted in. Happily there has been growing among the wiser spirits a tendency to insist more on points of agreement than of difference. Such an attitude will enable supporters of both Reports to combine in carrying out what both have in common.

This is largely the point of view of a recent essay by Professor Muirhead of Birmingham, entitled *By What Authority*¹. This instructive book—it is perhaps the ablest and wisest commentary on the Reports that has yet been published—aims chiefly at a “healing and settling.” To the author it would appear that the Reports run, not on divergent lines, but on parallel lines of unequal length, that the Minority agrees with the Majority so far as it goes, but itself desires to go much further. This line of reasoning underlies the whole argument, and the author is successful in showing how much there is in common to the two Reports. Sometimes, too, the proposals of the Majority are obviously a half-way house, and a very necessary one, on the way to those of the Minority. Such, for instance, in Professor Muirhead’s view, is the case with the proposals on Boy Labour.

But there is another direction in which this very competent writer, bringing to bear on the subject a scientific training, and yet speaking and writing from the point of view of an outsider, has exercised a very wholesome influence. It was inevitable that the usual howl of “Socialism” should go up against the Minority Report, though the generally non-socialistic character of the proposals render this less plausible than usual. But Professor Muirhead has provided a short and effective reply to the anxious warnings of the *Spectator*. “From the report of the Minority,” he points out, “there is a marked absence of the formulæ and industrial aspirations of current Socialism.” Thus the book provides both a common standing ground from which all sane reformers can work, and also a check for those well-meaning people who are always apt to “smell out” Socialism in anything from Protection to a Labour Exchange. Finally, the analysis and criticism of the various sections of the proposals is extraordinarily well done.

N. B. DEARLE.

CURRENT ECONOMIC PERIODICALS.—In the *Economic Journal* for December, Prof. D. H. Macgregor analyses the facts in connexion

with the recent "Shipping Conferences," and passes a somewhat unfavourable criticism on the Commissioners' decision in favour of the existing system of rebates Mr R H Tawney deals with "The Economics of Boy Labour" Boy workers are classed as (1) apprentices, and (2) those who are employed solely with a view to the present utility of their labour Apprenticeship condemned as a risky investment, owing to (a) gaps between school and trade; (b) the specialization of modern industry, which in many trades gives the lad no chance to become an all-round workman, (c) the difficulty of controlling the apprentices, and (d) the rapid changes in industrial methods which make special skill valueless in a moment The second class of labour is even more strongly condemned, as helping to swell the ranks of the unskilled casuals "The Patents and Designs Act, 1907," by Mr George Schuster, reviews the events leading up to the passing of the Act, examines its provisions, and considers its effects. "To produce flourishing industries the growth must come from within, and external legislative provisions are powerless to create this" In "Land as a Free Gift of Nature," Mr J S Furnivall describes the conditions of land tenure in Pegu (Lower Burma) before British annexation Property in land was not established until ten or fifteen years after the British occupation and the writer concludes that "the features of land tenure in a village community are not dependent upon the political organization of society, but are the immediate effect of economic conditions"

The numbers of the *Church Quarterly Review* for July and October, 1909, contain two very thoughtful and able articles by the Warden of New College on the Majority and Minority reports of the Royal Commission on the Poor Law Dr Spooner recognizes that the record of the seventy-five years' administration of the existing Poor Law is "the record of a disastrous and almost gigantic failure"—a failure which he ascribes to two chief causes, namely, (1) that the authors of the reform of 1834 were men of too purely an intellectual type and too much in advance of their time, and (2) that the legislation which was due to them imposed too great a burden of responsibility on voluntary workers A careful analysis of the evils of the present system and of the recommendations of the Majority report leads to the conclusion that, if the remedies suggested in this report are sometimes too heroic and sometimes at present unattainable, they are yet thorough and coherent and complete, and indicate profitable lines of legislative action Dr. Spooner's judgment on the Minority report is less favourable He explains with great fairness what he considers its merits and its

weaknesses Of the final outcome, as he thinks, of the whole policy advocated, he writes, "The State is to be erected into one all-supervising, all-supervising Providence, and under its blighting influence all private charity, all kindly human feeling that helps to bear one another's burdens and so fulfil the law of Christ, yes, and all hopeful energetic individual enterprise, the very salt of life, will inevitably tend to wither and decay, we shall indeed have created a desert and called it peace" Even those who dissent from some one or other of the conclusions may well recognize the great value of these articles

The *Irish Theological Quarterly* for last October has an article by the Rev. David Barry on "Fair Prices and Methods at Auctions," which deals, from the point of view of the Roman Catholic moral theologians, with some of the ethical questions which arise in connexion with sales by auction

The first eight numbers of the *Irish Church Quarterly*, being those for 1908 and 1909, are before us The third of these, that for July, 1908, contains an article on the "Lure of the City," with special reference to Ireland, by the Rev J O Hannay Mr Hannay analyses the causes why the Irish peasants leave the country districts, which for the most part means leaving Ireland altogether, and suggests as remedies the improvement of agriculture, a better system for the distribution and tenure of land, the development of industries, and some methods for diminishing the dullness and monotony of country life In welcoming this new periodical, we may express a hope that it will contain not infrequently articles on social and economic questions, such as form so valuable a feature in the *Church Quarterly Review* and the *Irish Theological Quarterly*.

The last October number of the *Eugenics Review* has some very instructive articles The Rev J H. F. Peile discusses the attitude of the Church towards the aims of the Eugenics Education Society. On the principle that "material environment is a factor in spiritual welfare," he argues that Christian philanthropy is bound to prevent the causes even more than to alleviate the results of physical and intellectual degeneracy Probably, as pointed out elsewhere in this number, the first practical step will be in the direction of "negative eugenics," as, for example, by the prohibition of the marriage of insane, feeble-minded, alcoholic, or seriously diseased persons Two other articles, by Col. Hill-Chmo and Dr Mary Scharlieb, emphasize the importance of the education of girls with reference to motherhood.

Mr J Ramsay Macdonald, M P, writes in the *Socialist Review* for September on "Socialism and Proportional Representation." He criticizes the schemes hitherto put forward for representing minorities, and recommends as an alternative shorter Parliaments, payment of members, and frequent redistribution of seats. In the October number, Mr J. Armsden discusses "Marx's Theory of Surplus Value," and suggests a scheme for the organization of municipalities on the basis of a non-interest-bearing currency. There is also an instructive article on "State Servants and the Recent French Strikes," by Mr J H. Harley. In the November number Mr Keir Hardie, M.P., discusses the programmes of Liberals and Conservatives, and their relation to the action of the Labour Party. "The Policy of the Party at the approaching election will be guided by one sole consideration—how to increase its strength in the next Parliament." There are, he says, no agreements between Liberals and Labour Members. In another article Mr J A Hobson decides that "a nation, as a moral personality, is on a lower level of development than an individual", and also that present-day Imperialism is not ethically justifiable.

The *Quarterly Journal of Economics* for last November contains the welcome announcement that arrangements have now been made under which the periodical can be obtained from a London publisher (Messrs Longmans), so that the difficulties and delay recently met with by would-be British purchasers or subscribers are now at an end. The most notable article of the number is the first, by the editor, Prof Taussig, on "The Tariff Debate of 1909 and the new Tariff Act." The fact that, as it ultimately emerged from Congress, the Tariff Act was no real fulfilment of the Republican promises to revise the tariff downwards is already well known, but some considerable interest attaches to Prof Taussig's account of the arguments which caused, or rather, we should say, accompanied, this result of the struggle. It has been discovered apparently that the "true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries." As Prof Taussig observes, this means, if consistently and thoroughly applied, "that duties shall be high enough to cause anything and everything to be made within the country and international trade to cease." So Senator Elkins argued that the duty on coal should be retained for the protection of Washington and adjacent States, because their mines were ill-situated and produced inferior coal! The debates of 1909 are depressing, we are told, to the economist. "There is

hardly a gleam of general reasoning of the sort which is applied in our books to questions of international trade." May not this be partly, at any rate, due to the timidity with which the American books for the most part treat the subject? "American Shoemakers, 1648-1895," by Mr J. R. Commons, is a sketch of the industrial evolution of the boot and shoe trade, mainly in its trade union aspect, chosen as typical of American industry in its response to the widening of markets and changes in the methods of manufacture. "The Insurance of Bank Deposits in the West, I—Oklahoma," by Mr Thornton Cooke, gives an account of a novel experiment, intended to give the depositors in banks the security which European depositors already enjoy owing to freer banking systems. "Technical Development in Cotton Manufacturing since 1860," by Mr Melvin T. Copeland, points out that English inventions aim at improving quality, Americans aim at increasing output, and have developed machines which utilize the cheap labour of the unskilled immigrant. "The Measurement of Concentration of Wealth" is a reply, by Dr G. P. Watkins, to Dr W. E. Persons' article in the May number, and is followed by Dr Persons' rejoinder. In the number for November, 1907, some account was given of the increment taxes in German towns. This is supplemented and brought up to date in a note on "The Financial Results of the Increment-Tax in German Cities." Frankfurt is the only town in which the yield of the tax has exceeded one mark per head of the population in the year. The population is 335,000, and the yield of the tax in the year of its establishment, 1904, was 68,000 marks, and in the three following years 833,000, 1,104,000, and 487,000.

The September issue of the *American Academy of Political and Social Science* deals with the position of Chinese and Japanese in America. Parts I and II discuss the arguments for and against excluding Orientals: the displacement of white labour is the main argument for their exclusion, while the moral and social aspects of the question are dealt with more fully by advocates of the admission of Orientals. Part III, "National and International Aspects of the Exclusion Movement," deals mainly with legislation against alien immigration, and with treaty rights. Part IV discusses (1) the sources and causes of Japanese Emigration, (2) Oriental immigration into the Philippines and Korea, (3) Oriental labour in South Africa (set down as a very serious danger, which the Union Parliament will probably endeavour to remove by immediate legislation), and (4) the exclusion of Asiatic immigrants in Australia.

The *Political Science Quarterly* for September contains an article on "Rousseau's Political Theories," by Mr W A Dunning. In estimating the influence of Rousseau's work, it is argued that his main contribution to pure theory lies in the definiteness and importance imparted by him to the ideas of the common interest and the general will. "Capital and Interest," by Mr Irving Fisher, is a defence of the author's views against Prof Veblen. Other articles are "Municipal Government in Porto Rico," by Mr W F Willoughby, "The Attorney-General and the Cabinet," by Mr. H B. Learved, "The Wheat Situation in Washington," by Mr. A. Berglund.

Two articles in the *Journal of Political Economy* for October deserve special mention—one on "The Public Debt of New Zealand," by Messrs J. E. Le Rossignol and W D Stewart, and the other on "The Hughes Investigation," by Mr Horace White. In the first it is pointed out that while New Zealand has a very large public debt in comparison with older countries, yet the mere figures are no indication of its relative prosperity. It is suggested (1) that the Government should borrow only for works that are directly productive, (2) that roads and bridges should be paid for out of revenue, half of the cost being paid by a betterment tax on land values, and (3) that the unproductive debt should be gradually abolished. In the other paper Mr White describes the organization of the money market, and the expediency of attempts to check excessive speculation in securities and commodities by legislative action.

The *Revue Économique Internationale* for September contains two articles on German conditions—one on "Les Dettes des Villes Allemandes," by Dr Otto Most, and the other on "Les Organisations Patronales Allemandes," by Dr Friedrich-Hertz. There are also articles describing French legislation on property rights, and the position and function of French banks. In the October number Mr Edmund Picard writes on "Notre Congo en 1909," and M. Louis Varlez describes the plan of a new international association to study and deal with the problem of unemployment.

Recent issues of *La Réforme Sociale* have contained a great deal of information about agricultural conditions in France. In the September number there were articles on intensive culture and agricultural migration, in October, articles on agricultural instruction and provincial migrations, and in November, articles on the housing problem, and on the moral and economic causes of rural depopulation. The influx of

"civilization," the effects of compulsory military service, and the attraction of the towns are cited as tending to undermine the old attachment to the land

The August number of the *Revue Sociale Catholique* is mainly devoted to an article by a military contributor on the reform of the Belgian army. An estimate is given of the necessary strength of the Belgian army, on a footing of general compulsory service, to guarantee the "neutrality of her soil and the permanence of her nationality." As an effective counterfoil, there is a realistic description of the conditions of "ragpickers" of the Belgian larger towns. The double number for September and October describes the model textile factories of Harmel Bros at Val-des-Bois—a French colony of the Bourneville type, but with some essentially French features which make interesting reading. There is also an exposition of the educational aims and methods of the "Action Populaire" of Rheims, which works on somewhat similar lines (but on a much smaller scale) to those of the German Volksverein for the study and solution of social problems. In the November number we have an account of the French philanthropic society formed for the protection of young military and naval volunteers, recruited from the "Children of the State." This association, which has ramifications throughout France, endeavours to encourage the enlistment of such boys when they reach the requisite age, and to keep in personal touch with them during their period of service. M Brants extracts some interesting figures from the German Census of 1907. The percentage engaged in "professions" (of which agriculture, industry and commerce absorb the largest proportions) has increased, though the agricultural population has declined here as everywhere. And a certain amount of concentration of industry has taken place, as is evident from the increased proportion of large workshops, together with a decrease in the proportion of "small masters" as compared with "hands."

In noticing the recent publication of "Le Musée Social," we must first of all join in the expression of sorrow for the death of M Georges Picot, who has been honourably connected with the institution since its foundation. The monthly *Chronique* and the *Mémoires* follow the course of economic events, and are always full of information. In the numbers for July, August, and September will be found accounts of the "Semaine Sociale" at Bordeaux, the Agricultural Society of Senlis, and the 15th Congress on Popular Credit. M Henri Lorin describes the extension movement in connexion with the University of

Oviedo, and mentions the growing tendency of young Spaniards to seek their fortune in America. The October number is devoted to an article by M. Fornerod on cheap dwellings in Belgium.

An article on "La Réforme du Tarif des Douanes Françaises," in *La Revue Générale* for November examines the probable effects on Belgian trade of the proposals for general revision of the French tariff. It is now proposed to increase the margin between the minimum and maximum tariffs, in order to place France in a better position to negotiate. The writer hints at possible reprisals, in the event of the project being carried out.

The two numbers of the *Nationalökonomisk-Tidskrift* for September and October contain articles on "The Possession of Land and Land Reform in England," by Henrik Pedersen. There is also an account of "Rural Matters and Rural Reforms in Roumania," by Erik Gjoskov. Not less than 82 per cent of the inhabitants seek their livelihood as small peasant farmers, with less than ten hectares of land each. They are much oppressed by present conditions, but laws are being made in their favour, and their status should soon improve.

In the *Ekonomisk Tidskrift* for September Mr. D. Davidson discusses, rather unfavourably, "The Right of Municipalities to carry on business according to Swedish Law." In the October number Mr. H. Rosman writes on "The Development of Sweden's Industry and Commerce in the Last Decades," showing how much Sweden has to contend against in its long and cold winters.

"The Economic Position of the Russian Jew" is considered in successive articles in the *Samfundets Krav* for August and September. In spite of every hindrance, the Jews continually improve their position. The recent lock-out and strike in Sweden is also fully described in the latter number.

LEGISLATION, PARLIAMENTARY INQUIRIES, AND OFFICIAL RETURNS.

THE Royal Commission on the Poor Laws and Relief of Distress have now issued their *Report on Scotland* (Cd 4922, 314 pp, 2s 8d) Eligibility for "public assistance" is to depend on "necessity", but that condition is to include "the lack of material resources appropriate for satisfying such needs as must be satisfied in order to remove causes likely to impair bodily fitness for self-support" The Minority, as in the English Report, desire "to get rid of pauperism, both the name and the thing," or "to enforce the obligation of all able-bodied persons to maintain themselves and their families in due health and efficiency" It is thus apparent that both the Majority and Minority aim at securing the same condition of the population, and that both recommend that the public machinery should be put into motion as soon as that desirable condition is threatened They differ in that the Majority contemplate the individual in jeopardy applying for help, while the Minority contemplate going out to look for him The unsought domiciliary visitation recommended by the latter is the point of divergence.

Lord George Hamilton, the Chairman of the Commission, adds a memorandum four and a half pages long He finds that the practice adopted by the Minority of making a separate report, in which they criticize the main report, gives them "the last word," and he thinks it advisable to remedy that state of affairs by adding a final criticism himself The difference, he says, is one of machinery, and machinery is the most important element in the situation, just as it was in 1832. As then, so to-day, "the maladministration largely arises from the composition and system of election of the local bodies" He then expresses his confidence in the new machinery proposed, and emphasizes the part to be played by voluntary effort, whose main function it should be to stop "downward progress in the social scale" Against the contention of the Minority that a destitution authority cannot efficiently perform medical and other services, he cites the unsurpassed institutions of the Metropolitan Asylums Board He finds that the forcing of relief upon people will involve an enormous enlargement of the functions of relief. It is true that the Minority provide an

officer, to be called the "Registrar of Public Assistance," whose business it will be to recover the cost of relief wherever possible, and where necessary to veto out relief. This officer is asked, the chairman holds, to do what is impossible. "Upon those who give relief should be the onus of recovery where necessary, but to confer upon the elected authority the function of giving, and upon their subordinate the duty of counteracting by recovery the gifts of his masters, is an impossible division of responsibility." He concludes, "Under the system a considerable proportion of the population will be under official surveillance from the cradle to the grave. The system must either produce general resentment, or continuously transfer to the shoulders of the State the obligations for the maintenance and nurture of an increasing number of the community."

The volume also contains a memorandum of twenty-six pages by Professor Smart on the history of the Scots Poor Laws prior to 1845. It appears that James I passed statutes against "sturdy," "strong," and "masterful" beggars in 1624-6, more than a century before any such enactment was made in England.

These were by no means the furtive incompetents who beg to-day, but soldiers out of employment owing to the cessation of hostilities. The method of relieving "cruik folk, blind folk, impotent folk, and waik folk," was to give them permission to beg. These licensed beggars were familiar figures in Edinburgh in our grandfathers' time. At the Reformation the relief of destitution ceased to be a religious duty, and teinds or tithes were instituted to replace the revenues of the confiscated church lands. While pointing out that "your poor biethren, the labourers and manurers of the ground, who by these cruel beasts, the papists, have before been so oppressed that their life to them hath been dolorous and bitter," Knox and Morton were not prepared to charge their supporters with the relief of the poor, and left the duty of providing the funds ambiguous. The teinds, in fact, went to pay the ministers and parish schoolmasters. Frequent statutes continued to inveigh against the sturdy beggars, and to authorize employers of labour to enslave them, and to force them to work for their keep only.

The authorized methods of compulsion extended to "wheeping," but not to torture. The same pressgang system was enjoined for the absorption of pauper children. The poor rate proper began with a "stent" to provide maintenance for persons locked up who could not pay for their keep. The working of the pressgang by private employers does not seem to have been thorough. No doubt, even with "wheeping," it was difficult to make these "masterful" fellows earn

their keep. An Act of 1672 enjoined the establishment of "Houses of Correction," by that time common in Europe, but none were, in fact, built. The injunction betrays the failure of the order to General Monk to deport the whole of the able-bodied unemployed to the West Indies as slaves. Another idea was to sell them to the Venetian Government to work in the galleys. No more success appears to have attended these earlier methods than waits upon the measures in vogue to-day, but they certainly throw light upon the disfranchisement of paupers.¹

The remarkable success of Dr Chalmers, the last matter mentioned, in dealing with poverty through the voluntary self-denial of the religious, rather than bring "their morals and numbers under the baneful influence of assessments," was a return to the principles in vogue before Knox and Morton came into power.

The volumes of evidence printed as appendices to the general Report, are now available, and, as having a more first-hand authority on the subjects treated than the reports by or to the Commission, may be found the more valuable by students. Vol. I. contains mainly *the evidence given by officers of the Local Government Board for England* (Cd. 4625, 627 pp., 5s.). It thus constitutes an exhaustive treatise upon the present theory and practice of poor law administration by those best qualified to describe the same. The fulness of the treatment is illustrated by the fact that the evidence of the legal adviser to the Board covers 89 foolscap pages in small print and double columns. Here the student can find answers to the many puzzles constantly confronting him—the liability of relatives, the rights of friendly society members, discipline and detention, the creed register, outdoor relief prohibitory order, labour test, relief (school children) order, 1905, disfranchisement, maintenance by deserting husband or putative father, and the like. The practical working of the administration is dealt with among others, in 110 pages of evidence from Mr Davy, a general inspector of the Board of thirty years' standing, and conductor of the recent Poplar inquiry.

His statements are illustrated by luminous charts, showing the movements of pauperism during over forty years. These are to be found in the companion volume (Vol. II. Cd. 4626, 564 pp., 6s. 10d.).

Many readers will turn at once to Mr Henry Lockwood's evidence. As inspector in charge of the Metropolitan district, it falls to him to comment upon the special difficulties in West Ham, to describe the Poplar Guardians' Labour Colony, and to touch upon the somewhat notorious labour yard of the St Olaves Union. Others, who have read Mr Preston Thomas's book, or his Report on the Swiss Labour

Colonies will be anxious to see what he has to say about the west country. Our curiosity is, however, more readily aroused in regard to what M. Henri Monod, lately "Directeur de l'Assistance et l'Hygiène Publiques" in France, has to say, and all will regret that it only extends to six pages. He and Dr C. S. Loch took part together in the "Congrès International d'Assistance Publique" which met in Paris during the International Exhibition of 1889. The First Republic, and likewise the Second (1848), declared that "Les secours publics sont une dette sacrée", but the formula was not put into effect till 1888, when the direction of it was entrusted to M. Monod himself. The French system, like the Scottish, recognizes no right to relief in the able-bodied, there must be "l'impossibilité physique de pourvoir aux nécessités de la vie".

This is the more interesting from the vast sweep of the professions made by the typical French politician for more than a hundred years. Orator and Latin on the platform or in print, he is a "canny Scot" when he gets into the "bureau". The year 1904, in which our second Cruelty to Children Act was passed, which is practically our law to-day, also saw the latest French enactment, which made it possible "to deprive of their parental rights parents who ill-treated, or corrupted, or exploited their children". Experience teaches us that, without the exact text of such a statute, it is quite impossible to infer how far it is more than "words, empty words". The wording of our Children Act goes far beyond this phrase, but we know that in practice it is almost a dead letter. What remains to be done in France, M. Monod says, is to pass an "Act for securing sufficient relief to the children of good parents who are too poor to support them". The thrifty disposition of the French comes out again in the provision that poor law medical treatment must be given in the home, unless the doctor specifically certifies that the patient cannot be properly treated there. M. Monod emphasizes the moral value of this provision, and it indicates the existence of a stronger home life than we sometimes imagine to exist in France. Coming to the aged, the French measure secures, we are told, that those who have made some provision, however small, shall be in a better situation than those who have not.

In administration we find again the contrast between the magniloquent pretensions of demagogues and what is feasible in practice. The "Solidarité Nationale," which is all that French moralists, M. Monod among them, apparently have to offer to replace religion and spiritual idealism, is of course invoked, and something corresponding to the Metropolitan Common Poor Fund exists, but to secure economy "l'assistance publique est d'essence communale," a very

different story Further questions asked by Dr Loch elicited the very important information that in Paris there is an official who is head of the whole system of Public Assistance, budgets for all the expenditure, represents the medical relief department, and acts as guardian of "les enfants assistés" There is also a "Conseil de Surveillance," which is entirely an appointed body The district relief offices are under "bureaux de bienfaisance," and these, again, as also the hospital committees, are appointed bodies. So that in Paris, where the directly elected representatives of the townsfolk have at their pleasure sent to the guillotine the most august personages on earth, no solitary being can appeal directly to the electors to entrust him with the giving of those "secours" so often described as a "dette sacrée" owing the poor !

Considering the bulk of Vol I A, and the mass of statistical detail concerning local administration printed there, it seems a pity that twenty lines should exhaust the presentation of French Poor Law regulation, the thrifty common-sense nature of which is so well brought out by M. Monod This volume, it should also be observed, contains statements of evidence by most of the officers called, and these are often more lucid than when their statements are interrupted by questions

Vol XIX. contains the report to the Commission on the *Effects of Unemployment or Assistance given to the Unemployed since 1886, as a Means of relieving Distress outside the Poor Law* (Cd 4795, 757 pp, 12s 6d), by Mr. Cyril Jackson, at present Chairman of the Education Committee of the London County Council, lately Director of Public Education in Western Australia, and H M Chief Inspector of Schools in England and Wales The decision of the Commission to print this report in one volume of foolscap size is an unqualified error The two principal points brought out—(1) the low industrial and social grade of the persons who are in point of fact assisted by public bodies, and (2) the disastrous futility of all relief works—are of such pressing urgency that, for the use of students and local administrators, the information here gathered should be issued in handy volumes, not in one that is wholly impossible In small print, the whole could be made into, what it ought to be, one or more companion volumes to the report on the same subject issued by the Board of Trade some years ago

The two propositions enunciated above are copiously illustrated from the history of this department of public activity all over the country, and the similarity of the experience of the different centres is very striking The measures undertaken are in no sense attempts

to deal with the problem of unemployment, but always to relieve poverty outside the poor law. The notes made by the investigators in Manchester, Liverpool, Bradford, and Leicester extend beyond specific "unemployed" assistance by public bodies, with the idea of bringing out this feature. The costly demoralization which is all that is accomplished by relief works is writ in letters which he who runs may read, and no one who is in any way responsible for perpetuating this form of public assistance should continue to do so without first perusing the bald facts and figures here recorded. The general effects of the seasonal nature of the hosiery and shoe trades in Leicester is elaborated in some detail in the Appendix, and also of the part played by Town Council employment on sewage and tramway construction works and the like.

Those who believe that when public bodies are the only employers all will be well with the poorer classes may find some of this evidence not a little disturbing. The Appendix also contains a very elaborate study of the industrial status and record of the "unemployed" assisted in the Poplar and Hackney Metropolitan Boroughs, so far as that is obtainable, even by persistent research, in the existing records. The conclusions of the investigators may be summed up thus. What is amiss is the lack of social competence both in individuals and in classes. Useful measures are those which increase this quality, those which diminish it are harmful.

The same points are brought in Vol XIX A, which contains Mr Pringle's report on similar public activity in Scotland. The efficiency of the officers engaged in this work in Glasgow provided more ample materials for such a report than could be found anywhere in England, and hence this volume is a particularly useful one. Besides the unique tabulations of figures regarding the "unemployed" available in Glasgow, Mr Pringle was able to illustrate his points effectively from two very remarkable social inquiries recently conducted in Edinburgh and Dundee respectively. The volume also contains an original study of certain types of industrial environment, which may be held to have a depressing effect upon those exposed to it. But this fruitful part of the investigation was cut short by the representations of a lady who was engaged upon a handbook of employments, which is intended to cover the same ground. Mr. Pringle presents in tabular form brief histories of the work of the Associations for Improving the Condition of the Poor in Edinburgh, Leith, Paisley, Dundee, and Aberdeen, in view of the provision of the Scottish Poor Law against relief to the able-bodied. A series of Dundee "Annals" is made to yield a table,

indicating expansion and shrinkage in business for nearly thirty

Mr Cyril Jackson made a similar investigation in Ireland, and his report appears as Vol XIX B (Cd 4890, 32 pp., 1s 10d) The information available was found to be extremely scanty Belfast, the only great industrial community, has enjoyed continuous expansion of trade, and does not therefore illustrate the problem The considerable volume of emigration—35,918 in 1906, and 40 per cent. of them between twenty and twenty-five years of age—helps to diminish it Mr Jackson actually discovers one possible advantage in relief works, even though the majority of them were useless in themselves—namely, their tendency, if conducted in rural districts, to keep men in the country In the Irish towns he finds them open to at least all the abuses notorious in England and Scotland The Cork authorities appear to make a practice of introducing relief work every Christmas, with the express purpose of providing the loafers of the town with the season's cheer at the public expense The investigations under all the committees were entrusted to the "unemployed," with the result that practically no particulars about the unemployed were available for tabulation similar to that of the English and Scottish reports The causes of distress due to unemployment were found to be the same as in England—laziness, drink, and boy-labour figuring largely. Under the last category the Post Office is a conspicuous sinner, but the great firm of Guinness is a model employer Mr Jackson is a close student of Trade Union activity, and reports it to be highly developed in Ireland

Both in the Scottish and Irish reports, the figures supplied in the Board of Trade *Labour Gazette* since 1893, showing the fluctuations of employment, are presented in graphic form In the former more industrialized country the fluctuations are much more marked

Vol XIII (Cd 4850, 327 pp., 2s 8d) contains the Diocesan reports asked for by the Commission. The decision to ask for these reports testifies to a belief in the minds of those best qualified to know the facts that in the parochial staff of the Established Church the nation possesses a body of properly equipped persons for observing the condition of the voiceless people, and can through them obtain information about every street and hamlet in the country Such decision contrasts almost humorously with the decision of the House of Commons not to utilize this national staff in connexion with the working of the Old Age Pension Act Unfortunately, the clergy are so accustomed to be excluded deliberately from public social service that many did not realize the confidence being reposed in them by the

Royal Commission In the metropolis they received a printed form, containing a number of questions admitting of the answer "Yes," or "No," with a small space for the reply And, for example, one of the first living authorities on the vexed question of necessitous children filled in the answers in that brief manner, simply because the Diocesan committee failed to convey to him the idea that they would welcome a more ample report of his experience It is not improbable that the same thing happened several hundred times, with a resultant loss to the Royal Commission of one of the most valuable sources of information open to them

The most noteworthy feature of the *Fifty-third Detailed Report of the Registrar-General of Births, Deaths, and Marriages in Scotland* (Cd 4808, 591 pp, 2s 10½d) is the continued fall of the birth-rate, which is the lowest yet recorded During the year 128,840 births were registered, of which 65,901 were males, and 62,939 females This number is 3165 lower than in 1906, and 3522 less than the average registered annually from 1902 to 1906 The percentage of illegitimate children was 6·82, which is 0·23 below the previous year, but 0·17 above the mean of the corresponding rates of the previous five years

The marriage rate was about the average The number registered was 33,298, 156 more than in 1906, and 1109 more than the average during the previous five years This number is the largest registered in any year since the institution of national registration

There was a slight increase in the death-rate, principally due to an epidemic of cerebro-spinal meningitis 77,296 deaths were registered, which is 1661 more than in 1906, and 877 more than the average during the previous ten years Of the deaths 38,240 were males, and 39,056 females The rate of infantile mortality was lower than in any year since 1879

The estimated total population of Scotland in the middle of 1907 was 4,776,063, of whom 2,331,907 were males, and 2,444,156 females. This gives an increase of 49,993 on the estimate in 1906

The *Fifty-third Report of the Commissioners of His Majesty's Customs* (Cd 4862, 78 pp, 4d) shows that for the year ended March 31, 1909, the net revenue, after the deduction of drawbacks and repayments, amounted to £29,158,057, being £41,943, or 0·14 per cent, less than the Budget estimate, and £3,423,937, or 10·5 per cent, less than the net yield for 1907-8 The Customs payments into the Exchequer amounted to £29,200,000, a decrease of £3,290,000, principally due to the reduction of the sugar duty Under the provisions of the Finance Act, 1907, the proceeds of local taxation (Customs)

are paid direct into the Exchequer, instead of into a separate account as in former years. The receipts from Foreign Spirit duties were £3,961,000, a decrease of £172,000 from 1907-8. Tea duties increased from £5,808,000 to £6,046,000.

According to the agricultural statistics provided by the Board of Agriculture and Fisheries on the *Prices and Supplies of Corn, Live Stock, and other Agricultural Produce* (Cd 4834, 352 pp, 8 $\frac{1}{2}$ d), the average price of British wheat in 1908 was 32s a quarter, or 1s 5d more than in the previous year. This average is the highest since 1898. The average price of barley was 25s 10d per quarter, 9d more than in 1907. This is also the highest since 1898. The quantity of British wheat sold in 190 towns of England and Wales was greater than in any year since the Act was passed, except 1890 and 1899. The total amounted to 3,294,000 quarters, an increase of 571,000 quarters, or 21 per cent over 1907. The quantities of barley and oats sold were slightly less than in the previous year. Scotch beef rose from 55s to 58s per cwt, while mutton fell from 74s to 72s 6d. 150,000 live cattle were imported from the United States, as compared with 186,000 in 1907, and 217,000 in 1906.

The *Annual Report of the Local Government Board for Ireland* (Cd. 4810, 378 pp, 1s. 9d) explains that, under the Unemployed Workmen Act, 1905, operations, which hitherto had been confined to the urban areas of Dublin, Drogheda, Galway, and Ennis, were extended last year to Belfast, Londonderry, Limerick, Kingston, and Newry. The Treasury allocated £13,750 for Irish requirements. The work included making and widening of roads, repair of footpaths, paving of channels, drainage, public park improvements, reclamation of waste land, and other occupation suitable for unskilled labour. Out of 3400 applicants in Dublin 3272 were provided with employment, and in Belfast 3227 out of 4688 applicants. The statistics of pauperism for the year ended September 30, 1908, show an average of 103,626 persons relieved each day during the year, or 1 in 43 of the estimated population. The total expenditure for poor relief was £1,368,632, an increase of £71,890 on the previous year. Under the Labourers Acts, 49 improvement schemes were received from District Councils. These included the provision of 5072 new cottages, and the acquisition of 82 existing houses, also 759 additional half-acre plots for cottages already erected, 163 allotments for cottages not belonging to the local authority, and tracts of land containing 25 acres to be divided into allotments for labourers living in neighbouring towns and villages.

The first issue of a new series of statistics under the Workmen's

Compensation Act is entitled *Statistics of Compensation* (Cd 4894, 71 pp., 7d) Previous figures referred only to seven groups of industries included under the Acts of 1897 and 1900—railways, factories, mines, quarries, engineering work, building, and agriculture. The Workmen's Compensation Act, 1906, extended the field of compensation to all occupations, whether manual or clerical, with certain exceptions. It also reduced the period of disablement entitling to compensation from two to one week, and extended compensation to injuries caused by certain industrial diseases.

By an Order of the Secretary of State, particulars were required to be furnished for mines, railways, factories, harbours, docks, constructional work, and shipping. The present volume contains statistics of these particular groups, besides general statistics in regard to the administration of the Act. The returns under the Secretary of State's Order were received partly from Mutual Indemnity Societies, Insurance Companies, and Employers' Associations, and partly from individual employers. The collective returns included 69 per cent of the fatal cases, and 71·10 per cent of the compensation cases, also 73 per cent of the disablement cases, and 74·10 per cent of the compensation cases. Of 34,659 returns from individual employers, 31,416 were to the effect that no compensation had been paid under the Act.

The total amount of compensation paid in the seven groups of industries during the year was £2,080,672, representing 3473 cases of death and 325,484 cases of disablement. The number of persons employed in these industries is about $7\frac{1}{2}$ millions. These figures do not include compensation paid under a contracting-out scheme, certified by the Chief Registrar of Friendly Societies, payments made in cases still outstanding under the previous Acts, damages recovered under the Employers' Liability Act, 1880, or at common law; payments made under section 34 of the Merchant Shipping Act, 1906, nor costs incurred by the employer in legal proceedings or otherwise in connexion with claims for compensation, and no account is taken of amounts received by an employer in the way of indemnity from third parties. Particulars of compensation paid under contracting-out schemes will be found in the Annual Report of the Chief Registrar of Friendly Societies. The number of undertakings dealt with was between 130,000 and 140,000, but as in some groups no list of employers existed, a great amount of difficulty was experienced in the collection of returns. Some employers made no return at all, but steps are to be taken next year to enforce the order in case of defaulters.

REVIEWS

A HISTORY OF THE ENGLISH AGRICULTURAL LABOURER By DR W. HASBACH, Professor of Political Economy in the University of Kiel With a Preface by SIDNEY WEBB, LL B. Translated by RUTH KENYON [xvi, 470 pp 8vo. 7s 6d net. King London, 1908]

The basis of this work is a book written in German by Professor Hasbach in 1894, which dealt almost exclusively with the eighteenth and nineteenth centuries. The book, besides being translated, has been recast by the Professor in some parts, while chapters have been added on the early history of the labouring classes, and on the period from 1894 to 1906, as well as some valuable appendices.

After a few pages on the origin of the manor, we are given a clear and interesting description of its economical organization, as it existed in the twelfth century, although the distinction between the villein by blood and the villein by tenure might have been more definitely explained. Professor Hasbach then proceeds to explain how the manorial economy was broken down by the substitution of money payments for services, and then by the passing of many villeins into a class of free but landless labourers. Here, however, the permanent effects of the Great Plague seem to be somewhat exaggerated, while the author too readily accepts Professor Thorold Rogers' assertion that after that visitation the manorial lords attempted to recall to their labour services those villeins who had commuted them for money, an assertion for which there is not sufficient evidence. At the same time Professor Hasbach allows that the increase in sheep farming, owing to the wool trade with Flanders, and the rise of a capitalist class of farmers, and of traders, were powerful solvents of the mediæval agricultural economy.

It may be suggested that, in dealing with the enclosures of the fifteenth, sixteenth, and seventeenth centuries, more detail might have been given as to the limits both in the extent and in the duration of the movement, and also on the vexed question as to the position and the numbers of those evicted, questions which have of late been

elucidated by the researches of Mr Gay, Miss Leonard, Mr. Slater, Professor Ashley, Mr Leadam, and Mr Savine ¹

Professor Hasbach fixes the accession of George III, 1761, as the beginning of the period when the labourer was finally driven from the soil, and follows Mr Arnold Toynbee and Mons. Mantoux in connecting the phenomenon with the industrial revolution of the later eighteenth century. He even goes so far as to say that at the beginning of the century "there was no proletarian class solely dependent on wages" (p 103). I venture to think that these statements require serious qualification.

That the landless poor were already a serious problem in Tudor times is proved by the Poor Law of Elizabeth and the Act of Apprentices. There is much reason to believe that the small landowner continued to disappear throughout the seventeenth century, and that many thousands had gone before the middle of the eighteenth. Moreover, the evidence given by the Land Tax assessments, so far as I have been able to consult them (evidence which, by the way, Professor Hasbach does not seem to be aware of), leads one to the belief that the later decades of the eighteenth century were not so fatal to the small landowner as the period after the close of the great war in 1814. This was first pointed out by Mr Rae in the *Contemporary Review* (Oct., 1883), and our author himself, at p 71, gives many contemporary authorities to prove that their number was still very numerous at the close of the eighteenth century. Nor is this difficult to explain. In the years of increasing prices and rising rents, with which the century closed, the small owner could hold out, and was even tempted to borrow money either to improve his land, or to buy more, or to satisfy his desire for a more expensive style of living. But in the bad years which followed, he was forced to sell.

Be that as it may, no one disputes that the enclosures of the eighteenth and nineteenth centuries were responsible not only for turning out directly or indirectly many "squatters," and even cottagers, from their holdings, and thereby increasing the number of landless labourers, but also for reducing the amount of agricultural employment, if, as was generally the case, they were accompanied by an increase of pastureage at the expense of arable cultivation. Other conditions also were unfavourable to the labourer. Wages, as is usually the case, were slow to

¹ Cf *Transactions of the Royal Historical Society*, vols vi, vii, xiv, xvii, xviii, xix, Leadam, *Domesday of Enclosures*, 41, Slater, *Enclosures*, *English Historical Review*, July, 1908, xviii, xxiii, October, 1893, *Quarterly Journal of Economics*, xvii, xix, Ashley, *English Economic History*, Leadam, Selden Society, *Select Cases Court of Requests*

follow the rise in prices of commodities. As the markets for agricultural produce grew with the advance of manufactures, the large farmers, who were increasing at the expense of the smaller,¹ were unwilling to sell their produce by retail, and milk and even meat was not to be obtained by the labouring class. With the growth of farming on a larger scale, and the introduction of machinery, fewer hands per acre were required, while, like the manufacturer, the farmers preferred labourers who had no other means of support than their daily wage, and who could therefore be the better depended upon. Nor were they unwilling to see an increase in the number of casual labourers who could be employed or dismissed as occasion demanded. The absurdities of the Poor Law, especially the system of supplementing wages out of rates, and in proportion to the number of children, kept wages down, and gave a stimulus to the increase of a proletariat population. The Law of Settlement prevented the labourers shifting to places where labour was required.

All this is well worked out for us, yet there is throughout a suggestion that the degradation of the agricultural labourer was due to the peculiar selfishness of the English richer classes, and that the previous condition of the agricultural poor was a far better one. A very superficial knowledge of the economical condition of France and Germany during the eighteenth century is enough to refute this view. There the villeins still held their land, but their conditions were deplorable, and the reason why these countries had not followed England is to be attributed to the fact that economical and political conditions there were in a backward state.

Neither France nor Germany had yet felt the influence to the same extent of a system of industry both manufacturing and agricultural, based on competition and the use of capital in its modern sense. Nor, again, did the capitalist class enjoy the political power exercised by the English landed gentry and the large merchant and manufacturer both in Parliament and in the local administration. Professor Hasbach reminds us indeed of this, but even here he accuses the English upper classes of "conceiving the activities of the nation solely from the point of view of *private*, not of *national* economy." It may be true that their conceptions of national economy were wrong; Cobbett was perhaps right when he sneered at the conception of national wealth held by the "*feelosofers*." They thought, indeed, more of the production than of the distribution of wealth, but their views were those held by the most advanced economical theorists of the day, and

¹ Cf Hermann Levy, *Entstehung und Rückgang des landwirthschaftlichen Grossbetriebers in England*, Prothero, *Pioneers and Progress of English Farming*

these theories would in all probability have been carried out by the foreigner if they had enjoyed the same power. And if in the nineteenth century the peasant in many parts of France and of Germany still holds his land, this is to be attributed partly to the difference in the kind of crops which suit the soil and climate, largely to the later political history

In France the Revolution of 1789 and the Napoleonic legislation tended not indeed so much to increase the number of the peasant proprietors, as keep him on the land, while it freed him from his dues owed to his lord. In Germany the mediæval system lasted until the beginning of the nineteenth century, and was then gradually modified by the central authorities, who deliberately addressed themselves to the problem, not only from an economical, but from a social point of view. This in brief is the explanation why, starting from the same economical organization, "in England the Manor won while the peasant lost. In France the Peasant won and the manor lost. In Germany the game has been drawn and the stakes have been divided"¹ Even so, there are indications both in Germany and France that the peasant is feeling the difficulty of *la petite culture* and the dulness of the country, and realizing that the tillage of the soil, unless it is worked on a large scale and with capital, is not nearly so profitable as a small business or industry in the town.²

Professor Hasbach concludes his work with a review of the fortunes of the agricultural labourer from the close of the Napoleonic wars till the present day. Like the rest of the book, the sketch is admirably clear, and is well worth reading. It is encouraging to find that, in spite of many ups and downs, he considers that in the matter of wages, in the standard of comfort and in education, there has been a distinct improvement. True to the whole text of his book, he looks for a further advance to the extension of the system of allotments, if not of peasant proprietorship. This is too large a question to be entered on here. Some doubt whether either of these have a great future in England, but it is instructive to be reminded that, though Professor Hasbach tries to prove that protection did not profit the agricultural class in the old days, he closes his book with these words "If England possessed a numerous class of small and middling peasant landlords, the victory of protection would be assured; and, if in the nineteenth century she had had some hundreds of thousands of yeomen, the transition to free trade would have been an impossibility"

A H JOHNSON

¹ *Systems of Land Tenure* Cobden Club Essays, "Germany"

² Cf Johnson, *Ford Lecture*, 1909 "The Disappearance of the Small Landowner" esp c viii

SOCIALISM IN LOCAL GOVERNMENT By W G TOWLER,
With an Introduction by Captain H M Jessel [xiii, 336 pp
Crown 8vo. 5s net Allen London, 1908.]

The writer claims that, unlike his predecessors who have dealt with "single phases of the question," he has attempted to treat the whole subject "comprehensively, if not exhaustively." But the general result is to give the impression that his method is not so much to convince by reason, as to overwhelm by a series of assaults from every quarter. Thus he has no difficulty in exposing the tendency of such Fabian suggestions as that in favour of larger provincial units of municipal administration, which are anti-democratic in the sense that they involve indirect election, and the overruling and overriding of local autonomy and local interests in favour of bureaucratic efficiency, but why drag in this to create prejudice against actual municipal trading?

With chapters on the history and the present extent of municipal trading there is no particular ground for criticism. Next comes a fairly long chapter on "The Financial Aspect," in which the writer sets himself to ask the question whether municipal trading shows a profit. Here the familiar attack on the way in which municipalities keep their accounts is developed, the usual charges are made that they do not put to the "debit" side of the tramway account certain outlays, which should be so assigned, and that they do not set anything aside for depreciation. Now it may be freely recognized that municipalities should not try to make a profit on their undertakings, that the benefit should be "consumers' rent" in the shape of a service rendered at cost price, no genuine expenses of production being omitted from the calculation of the costs, and that a form of municipal accounts might properly be prescribed for municipalities and an independent system of audit devised. After conceding this, however, it is only fair to add that in considering the financial aspect the common measure should be applied throughout, that the relative obligation of municipalities and private companies to wipe out their borrowings should be kept in view, and that in the case of undertakings taken over by a municipality from a private company the purchase price should be considered in estimating the subsequent success of the municipality in carrying on the business. Moreover, it is impossible to forget that the kind of arguments used by Mr. Towler were those used most frequently in the attack of the Municipal Reformers on the London County Council in the early part of 1907. Mr. Towler's book was published in the autumn of 1908. His friends had then been in power eighteen months, they had had abundant

opportunity of making good their charges of the irregular way in which the accounts of the County Council were supposed to be kept, and to revise in particular the book-keeping of the Tramway Department. If this book ever reaches a second edition, Mr Towler should really include a narrative on this subject, showing the reforms in this branch made by the present Council.

In a chapter entitled "Price and Quality of Service" Mr Towler compares the two systems of enterprise, keeping more or less to the two fields of "gas" and "tramways". In comparing the price per 1000 feet and candle-power of 21 undertakings, municipal and private, Mr Towler makes the average charge lower in the case of the private undertakings. It is also true that the charges of two of the companies—Brighton and Portsea—are among the highest, and that one of the three London companies, which he leaves out, has a high charge. At the present moment, most of the London undertakings have become co-partnership enterprises, thereby in one respect assimilating themselves to municipal enterprises, *i.e.* in regard to the treatment of their employees. It is noteworthy that, as Mr Towler remarks, quoting from the Manager of the Bradford Municipal Gas Works, "the large majority of gas works owned by local authorities were in the North and Midlands, and principally in the manufacturing districts, where they had many advantages. On the other hand, the companies predominate in the South. It is interesting to note that there were two counties in the South of England in which 105 gas companies were established, but where there was not a single gas undertaking owned by a local authority." No doubt the North and the Midlands are nearer the coal fields, but it is also true that the northern and midland municipalities are the centres of the most vigorous and progressive municipal life. In Scotland, where the co-operative movement is also strong, municipal gas is general. It is a pity that Mr Towler did not give us the price and quality of the service provided by the 105 companies in the two counties free from municipal enterprise.

The chapter on "The Lesson of State Enterprise," like several others, degenerates into a mere tirade towards the end, but it is worth singling out because it is largely devoted to "showing up" the incompetence of the War Office and the Admiralty, for which purpose it refers fairly enough to the scandals of the Crimean and South African Wars, and the investigations of Lord Randolph Churchill in 1886 and 1887. Mr. Towler suggests that these "spending" departments—that being their *métier*—can neither manufacture their instruments of destruction nor buy them with any skill from private manufacturers and dealers. Mr. Towler seems hardly to have thought

out his conclusions, for his argument would seem to point to a return to the methods of the seventeenth century, and to carrying on military operations by the "private enterprise" of condottieri. Probably Mr Towler would shrink from this conclusion, but his argument, so far as it goes, tends to show that we are all "Socialists," and that we only differ in regard to the nature of the "services" which the State should undertake. Mr Towler's "facts" about the administrative ability of the War Office and the Admiralty are doubtless well founded, but they prove, if anything, not that State enterprise is necessarily inferior to private enterprise, but that there is much less "efficiency" shown in the British War Office, than, say, the German.

The confusion in Mr Towler's mind is indeed manifest, when having got well into the mood for invective he denounces the Local Government Board. This Department, however, has nothing to do with State enterprise and has no trading other than the supply of glycerinated calf lymph, being otherwise a purely controlling and administrative Department. If Mr Towler had thought the matter over a little further, perhaps he might have seen that the inefficiency of our army and navy is largely due to the fact that these two services have been very much under the control of our incompetent governing classes, who regard appointments as "berths" or "billets," and cannot compete with the professional and business classes. Mr Towler thinks the late Lord Salisbury "the greatest statesman of modern times." Perhaps he would re-echo Lord Salisbury's well-remembered complaint that the British Constitution is not adapted to carrying on war, and his outburst at the same time against the Treasury, when he should in fact have assailed the War Office. The Treasury and the House of Commons at its back are, in fact, our only bulwarks against yet worse defects in the War Office and Admiralty administration, and those who have weakened the control of the Treasury and the House of Commons in this direction are poor patriots. How should the State secure efficiency in these services, when, after the Admiralty has been spending money on a programme for some years, the country is suddenly told with a scream that all the money has been wasted, that we are hopelessly inferior to this or that Power—whatever be the nationalist *bête noir* of the day—and everybody then takes it for granted that the proper course is, not to "hang" the Admiralty, but to give it as much fresh money as its friends ask for? The most efficient service in the world would be ruined, if it had a blank cheque upon an inexhaustible fund, the very reverse in fact of that atmosphere of stern competition, with the natural penalties of incompetence, which Mr. Towler admires. This need not be absent from a system

of State enterprise, and indeed in one direction the Admiralty is as pitiless as the most impersonal of individualist systems, as every captain who loses his ship knows. Mr Towler admits that the Post Office has been a success, it does not occur to him that the explanation may be that the *personnel* of the Post Office is on the whole drawn from a more responsible class of society than the War Office and Admiralty have been.

It is the fashion among Fabians and academic Socialists to ridicule competitive examination, but unless some such disinterested and impersonal method of selection is adhered to for testing the qualifications of candidates for public appointments, all the old evils of patronage will creep back. Here, undoubtedly, Mr Towler touches a weak spot, and when he refers to the political power of the post-office employees and municipal employees in general, it is easy to see that under democratic conditions we might get back to an inversion of the state of things which obtained before Mr Gladstone's Government, in 1868-74, introduced open competition into the Civil Service. It is not merely that a "place" may be regarded as the price of political support, but that something corresponding to a "sinecure" system, such as had made the Irish administration costly and inferior, may arise. On the other hand, the municipality is a more convenient entity than the State, and the disadvantages of any such degeneracy in administration are quickly brought home to the mass of the burgesses under our system of raising local revenues by direct taxation. This question is distinct from the question of the remuneration of municipal employees, which can probably be dealt with in another way, *ie* by courts of arbitration, so arranged as not fundamentally to undermine the control which a local authority exercises over its own finances.

Mr Towler cites the case of the Halifax tramwaymen, proving that conditions of employment are not necessarily more satisfactory to the employed under municipal than under private trading, and rather mischievously quotes the opinion of a Socialist, who declared that "it would not be difficult to make out a strong case for the illegality of strikes under the municipality." On this point, probably, there is at present some confusion of thought, and municipal socialism, if it is to succeed, must mean something more than the mere substitution of communal for private ownership of the undertaking, it must imply some definite rearrangement of the relation of owner *quâ* employer of labour with the employed. The ordinary civil servant of the clerical mind does not "strike," because he has security of tenure and has given hostages to fortune in the shape of qualifying for a pension. It is motives of this kind which must be introduced into the scheme

of things, if municipal socialism is to have such a chance of success as is implied in the absence of industrial friction

The latter part of the book is made up of a number of not very well-connected chapters, one is headed "the Effect upon National Character and Progress" Does Mr Towler suppose that anybody will believe him if he suggests that Lancashire and Yorkshire, the seats of the great centres of population, where municipal enterprise has gone furthest, are inferior to the South of England so far as initiative, enterprise, and vigour are concerned? Then, again, he charges the friends of municipal trading with favouring the growth of monopoly, chiefly because in London the Progressives wished the London County Council to undertake the supply of electricity for the various needs of the Metropolis The fact is that in this case the Progressives were the most careful stewards of the interests of community at large, and wished to profit by the experience of the past, and so secure the control of what is destined to become a necessary commodity from the outset, instead of having to give a great sum to recover it at a later stage, when the inevitability of such a step had become manifest to everybody Moreover, the charge of "monopoly" is misleading, if urged against the public control of the supply of a commodity or a service "Monopoly" is a word of reproach because it implies a seller charging a consumer extortionate prices In the case of a municipal monopoly, however, the consumer supplies himself, and the sting of the charge is withdrawn

Leaving municipal trading in the narrower sense, Mr Towler gives vent to his general prejudices against "Labour and Politics," "Municipal Housing," "Socialism in Education" (*i.e.* meals for school-children), "Socialism in the Poor Law," and "The Right to Work" He may call these "Panem et Cuccenses," if he likes, but they stand on a different footing from "private enterprise *v.* municipal trading" There is nothing more or less corrupt in the working classes electing men to town councils who will promise plenty of municipal employment than there is in a man getting himself or a friend put on a Board of Guardians in order to get a contract for the supply of food or clothing for paupers Yet since local authorities have existed they must have had occasion to place orders for many things Indeed, the tendency by which they have come rather to do things for themselves may be due to their unsatisfactory experience of dealings with contractors Yet few of us can recall any great output of literature or any striking campaign in the Press against the contractor class for overreaching or unduly influencing local authorities—at all events such practices have never been called Socialism This arbitrariness

in the attack on "municipal socialism" leads many of us, therefore, to suspect the disinterestedness of those who conduct it. Is it the welfare of the ordinary citizen that they have most at heart? Is not their attack as little devoid of self-interest as the attack of a shop-keeper on a co-operative store?

H. M. CONACHER

THE INDUSTRIAL SYSTEM By J. A. HOBSON. [Longmans, Green, and Co. London, 1909.]

A new book by Mr. Hobson is always a welcome addition to the literature of Political Economy. There is a refreshing originality in his outlook, which is the peculiar mark of all his books. And readers of this book will not be disappointed, especially when they turn to the Appendix to Chapter V, with its vigorous attack upon the "marginal productivity" theory.

One of the central doctrines of Mr. Hobson is his wage theory. Let us quote from page 85: "Everywhere throughout the industrial system the group of *entrepreneurs* whose businesses form a trade are engaged in buying particular sorts of labour power. How is the price they pay determined? The ordinary minimum price is the sum of money sufficient to maintain the worker in the working efficiency required, and to bring up a family which will keep up the supply." And then on page 89, "While therefore the minimum in modern industry is not the physical subsistence minimum of the older doctrine, it none the less remains true that the conditions of the sale of labour power are normally such as to keep the price down to the point of marginal cost of production, that is the conventional standard of comfort of the worst labour in each grade." That is to say, it is the conventional standard of comfort which is the decisive factor in determining the wages of each grade. Thus he says (p. 320), "Professional men and other brain workers may have a still more complex standard of needs, corresponding to the greater delicacy of their work. Their income must furnish more seclusion in the home, books and other private apparatus, opportunities for travel and wide intercourse." Now, at least as regards this efficiency standard in the higher branches of life, such as the learned professions and all very highly paid work, surely Mr. Hobson has provided his own criticism on page 236—"An individual is," he says, "entitled to spend some of his income for purposes which have no direct or measured reference to his present or future economic productivity." With this every one would agree, but is it not

a great argument against the theory that "family maintenance is the basis of the wage system" ?

But there is yet another difficulty with which Mr Hobson never adequately deals, and that is the difficulty of accounting for any rise in wages. He tries, on page 89, to lay down a general rule that "new methods of industry, especially under machine economy, involve a more intense industrial life, higher intelligence, and a larger nervous output, which can only be supported by a higher actual standard of expense." Let us, then, take the wages in the building industry. It is well known that wages have risen greatly in this industry, and yet it is not true to say that a very much higher intelligence has come to be required. And Mr Hobson seems himself to be aware of difficulties of this kind. He adds on page 90, "Within this competitive system we find certain grades of labour which have raised their price above the minimum limit, so as to secure by organised action a share of what we term the surplus." This is due to what he calls the monopoly factor in wages. But surely in all wages, except the lowest grade, there is a monopoly element. If we were asked why a fitter receives a higher wage than a dock-hand, we should reply, it is not because the standard of life of a fitter is higher, but because there is a smaller number of people capable of doing the work of a fitter than the work of a docker. And exactly the same principle applies to the doctor or the lawyer. And we should adduce one of Mr Hobson's own instances, and turn it against himself. Twenty years ago the wages of male clerks in certain branches were higher than they are now. On Mr Hobson's theory this would have been because their standard of life was higher and it was impossible to carry on their work without this higher pay. But now their wages are less and the work is done as well. Why is this? Surely not because the industrial strain is less, but because the supply of people capable of doing this work has largely increased owing to educational development.

Mr Hobson's theory is that when wages have increased it is because the greater strain and nervous output has increased the standard of life. In reply to this it can surely be urged that an increase in the amount produced by labour means an increase in the national dividend, and hence an increase in the remuneration of labour. The amount which goes to each grade depends upon the limitation of the supply of labour in each grade, not, as he would have it, an entirely artificial limitation due to Trade Unions or similar agencies, but a limitation in part at least due to nature and in part to education, which limits the supply of skilled as compared with unskilled workers. How then does the standard of life come in? In the first place, a

rise in wages due to an increased productivity is undoubtedly followed by a rise in the standard of life. That is, the rise in the standard of life is the result of the increased wage and not the cause of it. In the second place, in determining the wages of the lowest grade the standard of life is undoubtedly the determining factor. The public is anxious to get its goods as cheaply as it can. In the higher grades the price cannot go below a certain level, because it would be impossible to get enough skilled men to do the work below this wage, as there is only a limited supply of such men. But in the lowest grade the price of the article cannot be pushed by competition lower than it is at present, because men cannot live below a certain standard of life, which is not the physical subsistence minimum, but the conventional standard, though an increased national dividend in raising wages will raise this standard also.

The chapter which will perhaps excite the greatest interest is the Appendix to Chap. V upon the "marginal productivity" theory. In so far as Mr. Hobson asserts that we cannot give any special causative or determinant importance to the margin, probably he would find a wide agreement. In words which are an echo of Professor Marshall and Professor Clark, he asserts that "the complex of forces which through supply and demand determines the price per unit of each factor determines the margin." Indeed we wonder who it is whom Mr. Hobson is here attacking. Surely, at least since Professor Marshall's book appeared, no one has so grossly misrepresented the marginal theory as to give it a causative importance. But Mr. Hobson proceeds to break a lance with the marginal theory, by proving that in some instances the marginal man may add a greater product than any of the others. Here is his instance: "A nine man farm may only yield 140 sheep, so that when the tenth man is taken on there are 160 sheep, which equally divided as product or as wages would only give sixteen sheep per man, not the twenty which the presence of the tenth man seemed to add. That an eleventh man is not taken on may be due to the fact that ten men form so nearly the full complement of labour required for the effectual working of the farm, that an eleventh would only add five sheep, whereas every potential shepherd has an alternative employment worth a wage of twelve sheep." But is this really a valid criticism? Marshall has been careful to point out that the marginal shepherd is not the one taken on last in point of time, and indeed he says expressly that any one of the group can equally be treated as the marginal man.

Mr. Hobson then proceeds: "The so-called separate productivity of the worker furnishes the upper limit of his possible wages, as the

conditions of alternative employment open to him furnish a lower limit" But what Mr Hobson seems to have overlooked is this, that, supposing the employers pay the workers less than the value of what they produce, this means profits, and hence increased competition, which would bring down the price of the goods until it just reached the point where it paid wages and the other necessary expenses of production, and left no margin of profit over We might put the matter in a concrete form thus A certain grade of labour might produce every week goods to the value of thirty shillings, and be paid only twenty-five shillings; but if competition were really effective this would mean that the price of the article would drop to such an extent that what they produced would now be worth only twenty-five shillings instead of thirty But Mr Hobson would justly reply that competition is not effective And it is just here that we find the real agreement between Mr Hobson and the so-called orthodox economists There is really not so great a difference between them as Mr Hobson seems to think The great value of his book is that he lays emphasis upon the surplus which goes to certain people with a strong monopoly, whether of land or patent rights or skilled labour But exactly the same result can be found in an analysis of the theories of the orthodox political economists, for their theories are based upon the effectiveness of competition The service which Mr Hobson has rendered is to show how ineffective competition is, and he has done this in a masterly fashion Especially valuable is his treatment of the problem of taxation, where he lays stress upon the necessity of laying taxation upon monopolies, that is, just where competition fails to be effective Equally valuable is his clear distinction between Trade Unionist policy, according to which the workers in each trade try to obtain for themselves the particular fragments of surplus which emerge in that trade, and Socialism, which tries to secure all such fragments of surplus for the Social income.

Though we may not agree with the whole of his theories, yet one cannot but feel that he has restated many problems in such a way as to throw a flood of light upon them, and his criticisms of accepted doctrines must at least lead those who uphold these doctrines to attempt a more effective restatement. The last chapter on the "Human Interpretation of Industry" is full of the spirit of Ruskin, and deserves to be read by all who complain that political economy is concerned overmuch with material wealth

J. ST G. HEATH.

SOCIALISM IN THEORY AND PRACTICE By MORRIS
HILLQUIT [361 pp Crown 8vo. 6s 6d net Macmillan
New York, 1909]

Mr Hillquit, the author of a *History of Socialism in the United States*, has divided his present very comprehensive volume into two parts. In Part I, which he calls "The Socialist Philosophy and Movement," he discusses the more theoretical part of Socialism that region where historical deductions form the basis of theories of future development. It is obvious that it is on the very careful sifting of these historical instances that the value of the deductions depends. And it may be at once conceded that Mr Hillquit has achieved considerable success in this, and deals in general only with large tendencies. Possibly a keener recollection of the totally differing values of words in the expression of two completely differing sets of circumstances would have prevented the following "Nor . . did the great statesmen and orators of that period, as Pericles and Demosthenes, receive large pecuniary compensation." There was certainly no Socialism as we hold it hid under the City-State of Athens, which existed only for the few.

This Part is more interesting as well as more original when it treats of Socialism in connexion with the State and with politics. Mr Hillquit does not invent a new term for that organized society which he describes—he is willing to adopt that of "State," for he realizes that even when the period of transition has been passed, administration must remain, and even the element of coercion, to regulate the relations between citizen and citizen. The brief account of the various communistic experiments, and of their ultimate failure through lack of living contact with the atmosphere outside, is well done, and the warning given against those whose imaginations run riot in detailed description of what socialistic society will be like—whether by writers friendly or hostile—is not unwarranted.

The utmost stress is laid on the value of the tactics of political isolation, and the experience of France with Millerand is pointed to with emphasis as proving that not even exceptional circumstances can ever justify a Socialist in taking office under a bourgeois government.

In Part II, "Socialism and Reform," the author sums up all the chief heads of the social legislation of a century and the gradual formation and expression of public opinion, with its network of selfish and unselfish motives. Finally, in an Appendix he gives us an historical sketch of the Socialist movement in the various countries of Europe and in America, expressly excluding all but what he calls the "modern movement"—i.e. "the protest against the present industrial

system." All this information—some of it collected for the first time—is most valuable and useful. Indeed, it is the more valuable half of the book. Throughout, the principles of Marx are insisted on, that the efforts to educate, organize and raise the economic level of the working class are an organic part of the Socialist movement, and indispensable to its progress. It may be recommended to those who want a coherent and short statement of what the modern Socialist really is, and what he aims at becoming.

J E HANNAY

AUSTRALIAN SOCIALISM By A ST LEDGER [xv, 365 pp
Crown 8vo 4s 6d net Macmillan London, 1909.]

The author of this work has given us a readable account of the development of Australian Socialism during the last twenty years. As a Senator for the State of Queensland in the Commonwealth Parliament, he writes with all the disadvantages as well as the advantages of his position. He is intimately acquainted with the events which he describes, but he describes them in a light so frankly biassed as almost to disarm criticism. For instance, he speaks of "a well-known English Socialist, Thomas Mann, imported into Australia (notwithstanding the Immigration Restriction Act—a fact which ought to prove that its provisions have been grossly misconstrued). . ." Even bias, however, has its merits, and the reading of Mr St Ledger's book will be instructive to those who base their knowledge of Australian economics upon the *State Experiments in Australia and New Zealand* of Mr Pember Reeves.

In 1885 William Lane, a Brisbane journalist, inspired by the works of Bellamy and Henry George, founded a newspaper, *The Worker*, and by his leaders, written under the motto of "Socialism in our Time," advocated the State control of all industry. His was a robust faith, and he would have no dallying with capitalistic wiles. "Profit sharing is Bunkum," he wrote. These doctrines did not find a ready acceptance with the conservative Trade Unions of the eighties, and were publicly rejected by an International Trades Congress at Sydney in 1890. In Queensland, however, Lane succeeded in founding the Australian Labour Federation, a society which contained all classes of labourers, and put forward a definitely socialistic objective. This federation, says Mr St Ledger, was largely responsible for the organization of the shearers' strike of 1890 and the great maritime strike of 1891. The result of these two strikes is writ large upon the subsequent history of Australia. On the one hand, the public, angered at the resultant dislocation of industry and business, insisted

upon the passage of a series of Acts relating to compulsory arbitration. On the other hand, the workers turned in disgust from the method of collective bargaining to the method of legal enactment. By 1893 labour, fighting under the banner of "Socialism in our Time," had won eighty seats in the State Lower Houses. "This achievement has never been equalled since, but happily for Australia it will probably never be surpassed. The leaders put themselves up for auction at their own price. From 1893 onwards they were ever to be bought and ever to be sold."

In several interesting chapters Mr St Ledger then describes the industrial legislation of the past fifteen years, but deals more particularly with the working and results of the law relating to compulsory arbitration and to wage boards. His criticisms, though somewhat more hostile in tone, resemble those put forward by Mr Aves in his report to the Home Office¹. He points out that the wage boards and arbitration courts have not as yet been subjected to the stress of bad times. In this connexion it is interesting to remember the remark of Mr Aves that in the whole series of awards given by the New Zealand arbitration court there had been only one insignificant case where wages had been reduced, and two where hours had been increased. Yet in spite of this labour is not satisfied. There are constant complaints that the rise in prices and rents has been such as to nullify the benefit of higher wages, or even to put the worker in a position less desirable than that in which he was before the rise in wages came about. And this, indeed, is the case. Mr Coghlan, an accepted authority on Australian statistics, estimates that, while wages in New Zealand advanced $8\frac{1}{2}$ per cent, the cost of meat rose 100 per cent, house rent 35 to 50 per cent, and other necessities 10 to 15 per cent. Neither are the employers satisfied. They maintain that the operation of the system is unfair, that whilst an award can always be enforced against the employer it can often be evaded with impunity by the employee. They state, further, that the demands of labour are a serious menace in view of international competition. Even Mr Seddon uttered a warning note upon this point. "I am almost in dread," he said, "as to what is going to happen to New Zealand when the Panama Canal is completed and we are brought at once face to face with the old-world competition. If the Trade Unions and their leaders were to realize the danger threatening them, and the fact that our industries can bear no more, and that business is going back, nothing would bring them so closely in touch with employers as that realization."

¹ Cd 4167—1908

One chapter is devoted to the question of "Socialism and Population," and the attitude of labour upon this question is severely criticized on the ground that the only ultimate and effectual means for keeping the yellow man out is to bring the white man in. "The compression of the Japanese within the limits of Japanese territory is physically impossible. Will Manchuria and the north, east, and west of the Chinese Empire be able to absorb the Mongolians? Or will the north-western mainland of Australia, which will probably be then, as it is now, practically uninhabited, be subjected to the intense pressure of these teeming millions driven to find rest for the soles of their feet? If some modern Attila arises, whither will he lead his fleets and armies? Australia is certainly within the easiest striking distance for that sweep and offers the richest prizes." It was during the tariff struggles of 1902 that the Socialist party forced the introduction of the Immigration Restriction Act.

Finally, Mr St Ledger gives a detailed account of the origin and history of the "New Protection." He explains how Mr Deakin bought the support of the Socialists for his "high tariff" views by promising to give to labour a share in the benefits of protection. According in 1906 Mr. Deakin brought in the Excise Act, under the provisions of which a tax was imposed upon all manufacturers of agricultural implements, but would be remitted if the manufacturer adhered to a statutory selling price, and pay fair and reasonable wages to his employees. In the celebrated "Harvester Case" a certain manufacturer failed to prove that he did pay fair and reasonable wages, and, upon being ordered to pay the tax, he appealed to the High Court of Australia on the ground that the Excise Act was not a taxing Act but an attempt to regulate the internal trade and industry of the States, and was therefore not within the powers of the Commonwealth Parliament. The appeal was upheld, and the Excise Act declared invalid. The immediate object of the Socialist party is, therefore, the amendment of the constitution so as to enable the Commonwealth Parliament to regulate conditions of labour throughout the continent. The coming battle, says Mr St Ledger, is Constitutionalism *versus* Socialism.¹

Owing to the instability of Australian legislation and politics, it is very improbable that the judgments expressed thereupon in this book, or, indeed, anywhere else, can have much value. Neither is

¹ As the result of a recent (August, 1909) Conference of Premiers it seems possible that a voluntary gift of the necessary powers by the States to the Commonwealth will obviate the necessity for a constitutional amendment. Such a measure, however, would be of doubtful legality.

the account of industrial legislation as a whole sufficiently detailed to be of any use to the student. The subject of the "New Protection," however, is treated in detail, and the judgments of the Arbitration Court and of the High Court in the Harvester Case are given at length in an appendix. These judgments are of much interest and add greatly to the value of the book.

D. A. BARKER.

LA CÔTE D'OR Étude d'Économie Rurale. Par GERMAIN MARTIN et PAUL MARTENOT [572 pp. 8vo. Rousseau. Paris, 1909.]

This is a book which will delight students of men and manners, systems of land tenure, foreign types of tillage, and local institutions, and all the rest which goes to make up peasant life. For such students France—which in its provinces still retains many old local customs, adding to economic information the appetizing flavour of historic lore—is one of the most interesting countries, and, happily, Frenchmen have a peculiar knack of dealing with this special subject. Who has not loved to read the works of Baudrillart? The present book is written altogether after his manner, only with greater fulness.

The Côte d'Or is the most attractive part of Burgundy, famous for many good and interesting things, besides its excellent wines—Chambertin, Clos Vougeot, Romanée-Conti (which only has about seven acres upon which to grow, however large the quantity sold)—and the rest of them, of which in pre-tesotal days we used to be great consumers. Unfortunately for the Burgundians, sales to this country have fallen off most disastrously, and it is a poor comfort to know that as a customer Germany has stepped into our place. For Germany buys the Burgundy wines only to adulterate, so that, paradoxical as it may seem, its specific demand lessens the demand in general.

Altogether, in matters of rural economy, in spite of protection, which M. Paul Leroy-Beaulieu has pronounced *insensé*, things are going down, as the book shows. Rents have fallen. There is a serious loss on this score resulting to the income of public institutions like the Hospital of Dijon. Natural wine cannot compete with manufactured. At the same time labour is scarce, and one reads with astonishment of the large number of foreigners—14,000 Germans among them—who flock into the Côte d'Or to do the farming work.

In addition to wine, Burgundy produces noted "cassis," cultivating thousands of acres of black currants for the purpose. Somehow our authors omit to mention *Guignolet*, and also the much appreciated Burgundy *marc*, which carries through the still that "body" for

which Burgundy grape juice is valued. Both, however, are specifically Burgundian products. So are at any rate reputed to be the cherished *escargots*. The country also grows hops, and its forests—about Chagny and Sémur—are one of the timber nurseries of France. Altogether its agriculture is now on a high level, more particularly owing to the intelligent adoption of co-operative methods. These co-operative institutions have done much to revive the wine trade and very much to develop agriculture. MM. Martin and Martenot are not quite correct in what they say about the *caisses rurales*. But it is interesting to read that the Côte d'Or was the first district to take up the idea of agricultural credit, as long ago as in 1840, at that same Genlis which to-day possesses, though our authors fail to mention it, one of the credit-mongering *syndicats agricoles* best deserving of notice.

The book is full of well-ordered information, and must be welcome to any one taking an interest in its subject.

HENRY W. WOLFF

SOCIALISM AND THE SOCIAL MOVEMENT By WERNER SOMBART, Professor of Political Economy at the Handelshochschule in Berlin. Translated with Introduction and Notes by M. EPSTEIN, M.A., Ph.D. [319 pp. 3s. 6d. net. Crown 8vo. London, 1909.]

This book comes to us with its reputation established. It has had a large circulation in Germany, and has been translated, in earlier and smaller editions, into no fewer than seventeen different languages, including Japanese. The present is the sixth edition and is four times the size of the first. The work shows great breadth of knowledge in the development of social theory, and is interesting throughout both in matter and style. Dr. Epstein has done his work in translation remarkably well. It is true there are one or two awkward phrases, such for instance as "capitalist undertaker," which is continually recurring, but these do no more than remind the English reader that the book was not originally written in his own tongue. And such reminder is not out of place, for Prof. Sombart says so much about the political and social life of this country and says it so well that the reader might easily overlook the fact that the author is a German.

Unquestionably the great value of the book is that it is a quite admirable introduction to the study of Socialism and the theoretical side of the social problem. Socialism, like Theology, is a subject on which everybody, even the uneducated, considers himself entitled to form and express an opinion. On any other science or branch of

thought men hesitate to speak until they have qualified themselves in some measure by study and instruction. It is the absence of this, combined with the self-complacency of the ignorant, which makes the common attacks on Socialism as humorous as they are ineffective. The astonishing advance of Socialism in Europe which Prof Sombart reveals in his statistics may or may not be destined to continue, but it is at least certain that it will continue as long as men refuse to meet it intelligently. It cannot be rebutted by shouting, any more than can a thunderstorm. The book, then, seems to be a very good introduction to the subject of which it treats. It does not profess to be exhaustive, but it will at least suffice to prove how vast and complex is the social movement, and incidentally that Socialism has an insistent claim to be treated from the intellectual standpoint as well as the practical.

The book is divided into two parts, preceded by an introduction. Part I. deals strictly with the nature and development of Socialism, and is the most valuable part of the book. Part II, though less striking, is quite indispensable to the author's object, and deals with the social movement historically. The fifteen pages of Introduction, in which the plan of the book is outlined and the conditions are surveyed, are of great interest. One thing Prof Sombart seems to establish beyond fear of contradiction, and that is, how natural is the rise of Socialism. This is by no means to assert that it is therefore right, but simply that whether right or wrong it is exactly what the conditions were to be expected to bring forth. The self-consciousness of the proletariat was bound to come eventually, and when this is associated with the immense increase in size and power of big business concerns, with their inevitable tendency to swallow up the smaller ones, then we have present all the elements necessary for the progress of the social movement. Socialism is simply the intellectual expression in political terms of this process, though perhaps not necessarily the only or the ultimate expression. It may be that the reasons which Prof Sombart gives for the rise of the proletariat may not all be very worthy, but they are completely natural, inherent in the weakness and the strength of human nature. But, on the other hand, it must be admitted that the ideals of the instructed Socialist as given in the first chapter are noble and attractive. They will lift up the cause of Socialism into a place where it will become an enthusiasm and an inspiration instead of a party cry. All this is in great contrast with the proclamations of the street orator. Prof Sombart takes his readers carefully through "Rational Socialism," including "Utopian Socialism" and "Anarchism," then through Historical Socialism,

Revolutionism and Class-War, Trade Unionism and Co-operation, and he is always interesting and always scrupulously fair. It is to be regretted that he has not included a chapter on the Land Question. He is conscious that this omission will be charged against him, and defends himself in the Introduction, but many will think his defence is not quite conclusive, or at least that such an addition would have been useful.

E. P. SWAIN

THE BASIS OF ASCENDANCY. By EDGAR GARDNER MURPHY
[xxiv, 248 pp. Crown 8vo 6s net Longmans, 1909]

The author of this little book is an acknowledged authority on the racial problems of the Southern States of the Union. In a volume, *The Present South*, already published, and in another volume, *Issues, Southern and National*, to be published shortly, he has discussed, and proposes to discuss, many specific subjects connected with the problems of race—such as negro education, lynching, child labour, negro suffrage, and so forth.

The present work is a statement of those principles of fundamental policy which both the collections of essays are intended to illustrate. Here, in language so eloquent as to be almost dangerous to the reasoning powers of the reader, we see set forth the deeper aspects of a problem in which Englishmen as yet can find no share. Spite of the wide distribution of our possessions, spite of our many points of contact with weaker races, we cannot find a parallel for the position which exists to-day in the "black belt" of North America. There, in the heart of a Caucasian democracy, may be seen a group of negroes who are, in fact, if not in sentiment, the joint inheritors of a great civilization. But between the two races there exists an antagonism which has inevitably resulted in injury to the weaker group. This antagonism, in the case of the white man, arose during the Reconstruction period, when the Northern leaders in the first flush of victory imposed upon Southern foes the anarchy of an ignorant and undisciplined electorate. Then, it was the desperate struggle of civilization to hold its own, but now no such excuse exists. The antagonism, however, remains, the impulse of aggression is still rife.

It is against this survival of a feeling which has outlived its justification that Mr. Murphy protests. A policy of repression, he goes on to show, cannot be an adequate basis for ultimate adjustment. It is not possible to keep the negro as he is, to refuse to let him take his part in the progress of society. There is no question of a fusion

of the races Mr Murphy will have none of the racial cosmopolitanism of New England, he indignantly rejects the point of view which "places the race antipathies of social groups among 'the childish phenomena of our lives,' and assures us that they belong 'on a level with a dread of snakes and mice'". This mixture of races has represented something more than a physical catastrophe, to the thought of the South it has meant an encroachment of lower standards, of cruder instincts, of weaker will. The American may unite with the humblest Slav, but this Slav has his contemporary heritage in the culture of the Slavonic peoples, its symbols in Prague, in Posen, in Moscow, in St Petersburg but the fact at the background of every negro, however wise, or well educated, or brave, or good, is contemporary Africa"

If, then, the preservation of his racial integrity is a legitimate object of ambition for the white man of the South, how can this object best be obtained. Repression, says Mr Murphy, will be unavailing. To repress the negro is to deprive him of all racial ambition. To prevent the negro from bettering his condition is to keep the stronger group perpetually in contact with low ideals and with base standards. "A low saloon instituted for the 'nigger trade' is entered also by the lower elements of the white population, competes, therefore, with the white saloon, and pulls in the direction of its economic and moral level every saloon within the city, street car accommodation, public facilities of every type, even the sanitary conditions of our public buildings, have a tendency to seek the average level of the community-demand". The burden of the strong cannot be thrown off save through the advancement of the weak. To live with a section of the people who are politically impotent causes political lethargy. To live with a section of the people in perpetual antagonism causes political introspection. In the solution of the problem of race lies the future of the South. This same problem of race is one which looms large in many quarters of the world, but only the South has experience to guide. Here lies the opportunity of the South for the "development of distinctive capacities and for the contribution of an indispensable service," for the regaining of an ascendancy based on service rather than on force, for the "return of our prestige and the renewal of all the deeper and happier springs of our confidence and pride"

If we, in England, have no race problem such as this, we have yet some lessons to learn from Mr Murphy's book, and in the future we may find many more

D A BARKER

THE STANDARD OF LIVING IN NEW YORK CITY. By
ROBERT COIT CHAPIN, Ph D [372 pp 8vo \$2 Charities
Publication Committee New York, 1909]

A deeply interesting contribution to the literature of practical economics has been made by Dr Chapin in this report on an investigation into the standard of living in the cities and towns of New York State The report deals chiefly with New York City itself, though a report on Buffalo by Mr John R Howard is also included, and it is the outcome of the Seventh New York State Conference of Charities held in November, 1906 The original idea was to make the inquiry through volunteer investigators, but out of four hundred schedules thus distributed, only fifty-seven were eventually returned It is, however, cheering to find from Dr. Chapin that these volunteer reports were often "fuller and richer in minor details that give an illuminating glimpse of unsuspected family problems" Funds were lacking to continue, but at this stage the trustees of the Russell Sage Foundation took the matter up, and expert visitors were employed for two and a half months A preliminary report was issued in the end of 1907 by the Chairman, Mr Lee K Frankel, which is included in the present volume But the great bulk of the book is composed of detailed analysis and criticism of the various tables prepared from the data received The whole is prefaced by an essay on "Working Men's Budgets in Statistical Literature," while a bibliography on this subject and on the standard of living, in Appendix viii, adds to the value of the book.

Dr Chapin discusses very clearly the various methods by which the information collected has been classified he is of the opinion that neither the intensive nor the extensive method should be used to the exclusion of the other, but rather that they should supplement one another The schedule used is given—of an elaborate nature, which was intended to meet half-way the possible omission of various items of expenditure The statement that its "exhaustiveness was discouraging to volunteer reporters" can well be believed, but it was obviously a thorough and workable schedule The families reported on (642 were visited, but 251 reports were rejected) numbered 391, each consisting, on the average, of 5 persons The tables are compiled according to income, to districts, to nationality This latter brings out curious traits under the heading of "Recreation," the Russians are said to "look at their furniture"—an article of expenditure which is very heavy for this nationality Higher charges for housing seem to be made to the coloured people The tables further

include rent, housing, fuel and light, food, clothing, insurance, furniture, education and reading (the books most frequently named were novels and religious works), and miscellaneous expenditure, which covers money spent on recreation and on drinks away from home

The book is full of human touches, here is a statistician indeed, but no dry one. Though dealt with in column after column and page after page of most elaborate mathematical calculations, everywhere the living interesting human being emerges. Dr Chapin's object has been to bring out the facts, considered collectively, and next "to compare these results in such a way as to find out, if possible, on what income a family may meet the demands of a normal standard." That again and again he comes to the conclusion that with an income of less than 600 dollars a year, a family of five persons is underfed, underclothed and underhoused, will give us food for thought.

The translation by Louise Charvet of a part of le Play's *Les Ouvriers Européens* (vol v ch iii p 103), under the title of *A Working Man's Budget* (being the account of a type-setter of Brussels, Belgium, in November, 1857), which illustrates the intensive methods of the great professor of metallurgy, is to be found at the close of the book.

J. E. HANNAY.

MISERY AND ITS CAUSES By E T DEVINE, Ph D, LL D
[274 pp Crown 8vo 5s net. Macmillan New York, 1909]

In these lectures we find the breadth of vision, keen insight, and rational sympathy which are naturally to be expected from a leading exponent of modern scientific charity. The subject is treated from the point of view of the practical worker, poverty in itself is not misery, but it very frequently becomes so under the pressure of certain "adverse conditions," and an analysis of these conditions forms the greater part of the book. An elaborate statistical survey is given of the unfavourable circumstances affecting some five thousand selected families, but the author offers no grounds for the assumption, in some cases a highly questionable one, that the particular conditions he cites are in themselves "adverse", as, for instance, the fact of a short period of residence in New York City. It is to be regretted that Dr Devine has excluded from his inquiry all conditions making for happiness, without which no study of misery can be regarded as complete, he has, however, given a realistic account of the principal distresses and difficulties incident to working-class life in a great city, and his remarks are supported by statistics in plenty.

The social philosophy of the book is characteristic of a large section of popular thought at the present time. The author practically ignores personal character as an element in the problem, the causes of misery, he says, are almost entirely economic, and the moral element is relatively unimportant. "Distress and crime are more largely the results of social environment than of defective character," and it is on this that he bases his hopes for the future, economic readjustment will cure all ills. With curious inconsistency he declares in another place that ignorance is the root of all social evils, and that on that account we may indulge in the brightest hopes.

Although I cannot endorse the extravagant praises bestowed upon the book by its editor, there is no doubt that it will be found very useful as an introduction to the study of social problems. The promoters of this series of publications are to be congratulated in this instance on presenting to the novice in social work, as well as to the general public, a thoroughly sane and wholesome view of a question so liable to misrepresentation and distortion.

C. E. GARSIDE

LES CONSEQUENCES ECONOMIQUES ET SOCIALES DE
LA PROCHAINE GUERRE Par BERNARD SERRIGNY.
Avec une Préface de FREDERIC PASSY [478 pp. 8vo 10 fr.
Giard et Brière. Paris, 1909]

The first thought that the title of this book inspires is *μὴ γένοιτο* ! To put it in an Irish way, we peaceable Englishmen had fondly flattered ourselves that the "next war" would never take place. And perhaps this book was written to help to avert it. Otherwise how could the veteran "pacifiste" M. Passy have been prevailed upon to write a preface which, like everything that he writes, is well worth reading.

The war here contemplated is, of course, one between France and Germany, the thought of which appears perpetually to haunt Frenchmen's minds. M. Serrigny has looked very carefully into the "economic and social consequences" that the last war between those two great Powers brought in its train, and conjectured and calculated with minute care and most painstaking inquiry, upon which M. Passy bestows special praise, how the consequences of the next war would compare with them. He comes to the conclusion that the cost alone would be at least double. M. de Foville has calculated the cost to France of the war of 1870 at fifteen milliards. Accordingly the next war would cost at least thirty. However, in another place M. Serrigny puts the figure at fifty milliards, £2,000,000,000. That is an

easy figure to put upon paper But what would it look like in reality? And yet M Serrigny will have it that it is nonsense to think of the possibility of "bleeding a nation to death." Other consequences ensuing would be at least as disastrous to national life As M Serrigny describes them, quoting chapter and verse for all that he puts down, one is perfectly staggered at the tale, and wonders how a nation could subsist after enduring such ills Of course M Serrigny assumes that France, notwithstanding the stagnant condition of her population, the danger of which he does not belittle, may issue victorious from the combat Indeed, he believes that he perceives indications already of France advancing in prosperity and power, whereas Germany appears to have passed her zenith and to be meeting with economic checks that must tell on her power If France wins, that will mean Alsace and Lorraine going back to their old country, and ten or twenty milliards levied upon Germany as indemnity "We should not ask for more"

There is no doubt that the book is written with great care and every point put forward in it is thoroughly well considered Therefore unquestionably it affords a useful basis for calculation, so far as such things as those that it deals with can be foreseen at all But one may hope that the very enormity of the waste of life and property, commerce and industry, which, according to our author's showing, war would entail, may deter the two nations to whom it refers from entering upon it

HENRY W WOLFF.

SOCIAL PRINCIPLES OF THE GOSPEL By W. E CHADWICK, D D, B Sc [126 pp Crown 8vo. 1s SPCK London, 1909]

SOCIAL WORK By W E CHADWICK, D D, B Sc. [128 pp Crown 8vo 1s net Longmans. London, 1909]

These two small books by Dr Chadwick are to be cordially welcomed, not only because of their usefulness, but as being a contribution from a well-known evangelical to current literature on social subjects To a large extent they are complementary to each other. The one states the problem with some suggestion of methods of treating it, while the other shows how the Christian Gospel is designed to meet the problem, by direct commands to its adherents and by the supply of motive power to action In neither book will Dr Chadwick give any support to the theory that the saving of souls

is the only function of Christianity "Otherworldliness" has been so characteristic of certain Christian teaching and preaching in the past as to have done incalculable harm to its acceptance. Christianity is quite as much for this world as it is for the next, and it is no less the duty of Christians to make this world beautiful than it is to proclaim the beauty of the world to come.

Progress towards some real results in dealing with social questions would be more rapid, if people realized how urgent and how interesting they are. At present it is for the most part terribly hard to persuade people that they are either urgent or interesting. Herein lies one of the great values of settlements and school missions. A week or two at such places may generally be relied upon to convince visitors on both these heads. But as there are many who cannot and many more who will not embark on such an adventure, Dr Chadwick's *Social Work* may be recommended as no mean substitute. He writes from a varied experience, out of which he illustrates all his arguments. The careful explanation in successive chapters of how social and industrial conditions affect the father, mother, young man, young woman, and children is a most interesting piece of work.

There are two points which Dr Chadwick emphasizes particularly. The first is the need of education, and this not only among members of the lower class. The social worker ought to be a trained agent. It is even more necessary to be a scientist than a philanthropist. The clumsiness or foolishness of the charitable but uninstructed helper has been proved times without number to result in a curse instead of a blessing. A donation of money will often be used to buy drink for the lazy instead of food for the sick, and it is always possible that a present of clothes will lead to a visit to the pawnshop. In dealing with distress it is always more effective, though much harder, to investigate causes than to alleviate results. It can never be too often repeated that this is the only way by which success can ultimately be achieved.

Dr Chadwick's second requirement is a "vision of the whole," by which is meant not only a vision of the whole problem, but also of all the agencies and individuals at work on the problem. The simplest illustration of this is the harm caused by the overlapping of charities. In this connexion mention may be made of the scheme, now being adopted by several towns and districts, of forming a Public Welfare Council, comprising members of all the various agencies for relief, ecclesiastical or secular. The plan is full of promise. If such bodies can devise a scheme for getting the various loan clubs and sharing-out societies away from the public houses, they will have achieved

something of real value. It ought not to be impossible, and it is extremely urgent

Dr. Chadwick urges that young men ought to be encouraged to emigrate. The obvious objection to such a course is that so few of them are good for anything when they have been emigrated. There would seem to be a great deal in favour of the schemes of Mrs. Close and Mr. Fairbridge for emigrating poor-law children, and placing them in schools or farms specially designed to educate and equip them for agricultural and colonial work. Several of our public schools have also undertaken experiments of this kind, surely there is no reason why the State should not take up the idea. It is more likely to meet with ultimate success in this way, than if organized by a private individual assisted by charity. The colonies want labour, and the home country wants an outlet for its surplus population, and this ought to be enough to secure the consideration of the Government.

These little books ought to be widely read, for they make small demands on time or purse and are highly instructive.

E. P. SWAIN.

SALAIRE ET DROIT À L'EXISTENCE. Par J. A. RYAN, Professeur de Morale et d'Économie Politique au Grand Séminaire de Saint-Paul de Minnesota. Traduit par LAZARE COLLIN, Professeur à l'École Saint François-de-Sales, à Dijon. Préface de LUCIEN BROSARD, Professeur d'Économie Politique à la Faculté de Droit à Nancy. [xlviii, 356 pp. 8vo 8 francs Giard et Brière Paris, 1908.]

British readers may not care to read the work of an English-speaking professor in the United States in its French translation, although the translation is undoubtedly well executed, but Christian Socialists will be glad to hear of a work which traces our modern doctrine back to patristic sources. We have it all here. Thomas Aquinas, who questioned how many angels could find standing room on the point of a needle, was in no doubt whatever about the workman's right to a "living wage"—whatever his output might fetch in the market—and about the employer's duty to provide such, even though that should be at a loss to himself. All this was settled centuries before Professor Menger wrote. Professor Ryan is a devout Roman Catholic as well as a stout champion of the doctrine of social economy now popularly accepted, and it appears to have been a real labour of love to him to search in Early Church records for the orthodox origins of the humane ideas prevailing in the present day. There is

a great deal that is of distinct interest in this work, which proves the author to have studied all the best literature relevant to his purpose, of ancient Church history as well as modern political economy. He is, in particular, evidently well read in modern writings on the wages and labour question

HENRY W. WOLFF

A CALENDAR OF THE COURT MINUTES OF THE EAST INDIA COMPANY, 1640-1648 By ETHEL B SAINSBURY, with an introduction and notes by WILLIAM FOSTER. [xxix, 407 pp 8vo 12s. 6d net Clarendon Press Oxford, 1909]

The years dealt with in this volume were, as was natural, years of difficulty and trouble to the East India Company. Its financial position in the East was steadily improving William Methwold, who had been president at Surat, informed the General Court in March, 1640, that, when he had been first appointed to the presidency seven years ago, he had found everything in a miserable condition, the people dead, towns depopulated, and all things incredibly dear; whereas at the present time everything was different. Since the famine and pestilence had ceased, the people had come down from remote parts of the country and settled again in the towns, as spinners, weavers, artificers or merchants, so that manufactures were as plentiful and as cheap as formerly The peace concluded with Portugal had been of great advantage to the Company, in that the Portuguese ports were now free and open, and the charge of shipping consequently greatly reduced Everywhere in the East the prospect was cheerful

At the same time the political situation in England forbade that confidence, without which men were unwilling to lock up their capital in adventures, however promising This volume is full of the attempts made by the Directors, with more or less success, to induce new subscriptions The King, who had no desire that the company should break up, now honestly sought to undo the mischief caused by his patronage of Sir William Courteen and the unauthorised traders, but, as things were tending, the favour of the King was more detrimental to the interests of the Company than would have been his opposition; and when it, not unnaturally, refused to lend Parliament its ordinance, the Company became no doubt suspect to the dominant faction

Meanwhile the East India Company suffered grievously at the hands of its royal patron. Mr. Foster has conclusively shown that the transaction relating to the purchase of the Company's pepper by

the Crown was not the confiscatory measure it appears from the bald account in Bruce's *Annals of the East India Company*. The Crown gave a fair price, the system of deferred payment was then general, the security given was at the time ample, and the sale received at least the formal sanction of the shareholders. None the less the political circumstances, which caused the King to be powerless to repay the debt, and the securities given to be worthless, were no less disastrous to the Company than if there had been actual *mala fides*. That it was able to survive the bad years of the civil war and interregnum was largely due to the courage and enterprise of its governor, William Cokayne, and its deputy governor, Methwold.

During the years dealt with in this volume the Company's claims against the Dutch were being pressed, but, though at times there were hopes of success, the uncertainty of the political situation weakened the hands of the English negotiator.

It only remains to add that Mr Foster maintains the high standard as editor to which his readers are by this time well accustomed.

H. E. EGERTON.

THE SCOTTISH STAPLE AT VEERE A Study in the Economic History of Scotland By the late JOHN DAVIDSON, M A, D PHIL, and ALEXANDER GRAY, M.A [xli, 453 pp. 8vo 12s 6d net Longmans London, 1909]

Veere, Vere, or Campvere is a port on the island of Walcheren, which, after some conflict, succeeded in becoming the home of the Scottish Staple, that is, in securing the monopoly of the Scottish trade with the Netherlands. The Scotch merchants lived here till 1799, under the administration of a Conservator responsible to the Convention of the Scottish Burghs. In that year the Staple, which had gradually lost its supremacy, was dissolved by the Batavian Republic on the grounds that it contradicted the principle that trade within a well-ordered community must be free and common to all the citizens, and that no settlement of foreigners should be immune from common duties and burdens and enjoy self-government. The title of Conservator survived till 1847. During the two and a half centuries of its existence a church had grown up, whose session was recognized. This also disappeared in 1799, but "its name still appears among the congregations entitled to be represented in the General Assembly of the Church" (p. 336). Its communion cups, which date from 1620, were bought by Lord Egerton of Tatton, after a curious history, and were presented by him to the Manchester Cathedral.

A minister of this church, the Rev. James Yair, whose ministry extended from 1739–1784, was the author of the chief history of the Staple. His *Account of the Scotch Trade in the Netherlands* appeared in 1776. The late Professor John Davidson of New Brunswick left voluminous notes for a new history, and Mr. Alexander Gray, basing his researches on these notes, on Yair, and especially upon the very full records of the Convention of the Scotch Burghs, and on other documents, has written the definitive history of an important, if somewhat unexciting, branch of British commerce

If the book is used judiciously, a great deal of information may be gained from this rather heavy volume. So far as was possible Mr. Gray has made the subject interesting. The book is well-arranged, clearly written, and shows a wide knowledge of Scotch trade generally and of the organisation and history of the Scotch Burghs. It is divided into three parts. In Part I Scotch trade is described generally in relation to the conditions at home. In Part II. the gradual growth of the idea of a Staple, and its eventual establishment at Veere, together with the history of the Scotch colony at Veere, are traced. A chapter is added upon the church at Veere. Finally, in Part III, we have a careful description of the Staple, its trade, officials, and buildings. The book will not be found very readable or exciting by the general student of economic history, but it is useful, and, I think, final.

F. M. POWICKE

L'APPRENTISSAGE ET L'ENSEIGNEMENT TECHNIQUE.

Par FERNAND DUBIEF, Ancien Ministre, Vice-président de la Chambre des Députés [506 pp 12mo. 6 francs. Giard et Briere Paris, 1910]

This is a superior book, alike in matter and in language and composition. The author has been French Minister of Commerce, and in that position, and otherwise, has had his attention directed to the want of technical capacity among the artisan classes of his own as well as of other countries. For the cry of "Charlottenburg" recently raised among ourselves shows that, in respect of this matter, we have no stone to throw at our southern neighbours. "Germany has capable workmen, France has none." One reason why this is so M. Dubief—who has a measure on the subject ready for the consideration of the Chamber of which he is a vice-president—discerns to be that Germany continues to insist upon a term of apprenticeship for artisans, whereas France has thrown over apprenticeship as being distasteful to the working classes.

There is more in this than appears on the surface. No doubt, from a wage-seeking working-man's point of view, apprenticeship has its great inconveniences, and under a careless employer it is apt to be abused. The German Government sees that the employer does his duty by his apprentice, as the apprentice is in law bound to be faithful to his employer. Other Governments—at any rate in Western Europe—so M. Dubief frankly admits, could not in this matter interfere as the German does, because people would not put up with it. However, in these days, when, above all things, capable workmen are wanted to keep the trade in a country, it is, in M. Dubief's opinion, shortsighted policy to throw overboard the best practical technical instruction that a man can get—much better than a new "Charlottenburg" could teach him—only to enable less valuable workmen to draw earlier pay, which not their own competence, but only the dread of strikes, will keep at its "living" standard. M. Dubief has studied the question in France and also abroad. He reviews in the present book the legislation in force on the subject in France, in Germany, the United Kingdom, the United States, Austria, Hungary, Switzerland, Denmark, Norway, and Belgium. The mere conspectus of such legislation will make the book interesting to some. The larger question of how we are to keep our working men efficient, at a time when the welfare of the State—which so many endeavour to secure by non-contributory pensions, a high tariff, and similar measures—depends to so great an extent upon our ability to put workmen into the field who can hold their own against foreign competitors, highly trained, in technical knowledge, should be its recommendation with a good many more.

HENRY W. WOLFF.

LES LOIS D'ASSURANCE OUVRIÈRE À L'ÉTRANGER

Par MAURICE BELLOM, Ingénieur-en-chef au Corps des Mines
Supplément Général [588 pp 8vo 15 francs Rousseau.
Paris, 1909]

Working men's provident insurance is more than ever a leading question of the day, even in our own laggard country. What we pioneers of the movement in England have preached in vain for at least fifteen years back has suddenly become accepted gospel, since Mr. Lloyd George, in 1908, "went and saw and was conquered." We are told that two Cabinet ministers are at work on Insurance Bills after the German pattern for the United Kingdom. And in Germany the Imperial Insurance Department is reported to be tackling the difficult problem, from which it has hitherto timidly shrunk back, of insurance

against unemployment Should it succeed in its endeavour, it may be predicted with confidence that we shall soon be found following its example

Under such circumstances a new volume of what may be called M Bellom's standard collection, now consisting of ten bulky volumes, of the laws of working men's insurance in various countries cannot fail to be welcome It is a portly volume of nearly 600 pages For there is much to relate Germany has been legislating afresh on the matter, and so have Denmark, Hungary, Luxemburg, Sweden, Belgium, Russia, Italy, Spain, and in Switzerland the Canton of Vaud.

M Bellom's "Supplement" contains nothing but the full verbal text of the laws passed, with the instructions and ordinances issued as pertaining to them It is not intended to give more But it reproduces these documents with all the exactitude and strict accuracy for which M Bellom's series has already acquired a well-earned reputation There is a complete index to the volume And the printing is good and clear

HENRY W WOLFE

SHORT NOTICE

DE LA QUESTION SOCIALE Par LOUIS MAURIVEX. Tome premier. *Economie Politique*. [304 pp 12mo. Giard et Brière 3 francs. Paris, 1909]

This is a little handbook setting forth, for the information of students of the "social question," the principles of political economy in relation to the production and distribution of wealth. That is evidently the foundation upon which an inquiry upon the "social question" in all its breadth and bearings is to be reared up in the succeeding volumes. M Maurivex possesses the valuable gifts of conciseness and lucidity, although he appears to lack the judicial capacity for drawing logical conclusions from premises which he states clearly enough No doubt the book will serve its purpose among the class of readers in France for whom it is intended.

EDITORIAL NOTES.

IN the present state of political affairs there is little hope for any considered scheme of social legislation. Parliament certainly has its hands full, and for some time to come the political struggle is likely to be concentrated on the question of the House of Lords. We have not sufficient confidence in our powers of prophecy to attempt any forecast of the future course of events. This much however is plain, that those whose chief political interest lies in social reform ought to take advantage of the present interval to consider what reforms will be most worth pressing when the opportunity for legislation next arises. It is not to be denied that we have plenty to think about. The problems raised by the Poor Law Commission alone are sufficient to keep us occupied for some time to come, and though the Reports have clearly made a very great impression, it cannot be said that there is as yet any general agreement as to the possibility of embodying any of their recommendations in a Statute. The great thing is to keep these questions to the front, and by every means in our power to prevent their being entirely overshadowed by the excitement of immediate political emergencies.

The national system of Labour Exchanges is now fairly launched, and the experiment will be watched with the keenest interest and sympathy. Unlike most of our characteristic national institutions, it has not grown up by long and slow degrees, but has sprung, ready-made, from the brain of the Board of Trade. Some eighty Exchanges were opened on the first day of February, and by June it is hoped that over two hundred will be in active operation. However, at the outset, no expense has been incurred by the erection of costly new

buildings, and the whole organization will be temporarily housed in all sorts of available premises hired for the purpose. With Mr. W. H. Beveridge as Director, we have the best of all guarantees that the scheme will be managed in the most efficient way possible, and with a thorough knowledge of all the conditions necessary for an assured success. Besides the National Clearing House in London, there are divisional clearing houses for the eleven industrial districts into which the whole country has been divided, viz. Birmingham, Bristol, Cardiff, Dublin, Glasgow, Leeds, Liverpool, Manchester, Newcastle, Nottingham, and Sheffield. Ranged under these, there are at present some thirty first-class exchanges in manufacturing towns of more than 100,000 inhabitants, thirty second-class exchanges for towns with a population between 100,000 and 50,000, and a number of third-class exchanges in other districts. When the organization is complete, some eight hundred managers and clerks will be required for the work, though for the present only about two hundred have been appointed.

It is probable that some undue expectations may be entertained in certain quarters as to what can be accomplished by Labour Exchanges. The fact is that Labour Exchanges do not profess to be able to make work for anybody. But, though they cannot increase the amount of employment actually available, they do aim at reducing the area of unemployment by providing a machinery for increasing the mobility of labour. Their main purpose is to bring the workmen in search of employment into touch with the employers who want workmen. By supplying information throughout the country as to where business is brisk or slack, they can help to diminish the enormous waste of time and energy involved in "looking for a job," and to correlate the casual and seasonal occupations with a view to providing more continuity of employment. In performing this most useful function, the Labour Exchanges will have to face, at all events at first, a certain amount of suspicion on both sides. The Trade Unions are rather inclined to look askance at a method of supplying labour which might interfere

with the effectiveness of their strike weapon, while the employers have hitherto not shown any great need or desire to utilize the old registers of unemployed workmen. However, none of these difficulties are really insuperable, and the new Labour Exchanges are on quite a different footing from the former registries managed by Distress Committees and other philanthropic agencies. The Exchanges may, of course, be used by women and young persons, as well as by every kind of skilled or unskilled workmen. The only occupation excluded for the present is that of domestic service, which, it is assumed, is already dealt with adequately by the existing private agencies.

The Labour Party, we note, has returned to Parliament a rather smaller but distinctly more compact body. In the last House of Commons the party could claim some kind of allegiance from about fifty members, though, in fact, only about thirty of them were formally attached to the central association known as the Labour Representation Committee. There are now forty members, all of whom are bound by the general decisions of the Labour Party as an independent organization. This result has been brought about by the exercise of discipline in two directions. On the one hand, Mr Grayson, as a type of the extreme individualist among Socialists, has disappeared from parliamentary life for the moment. On the other hand, a number of semi-independent members have either suffered the same fate, like Mr Bell, or have been driven wholly into the Liberal camp, like Mr Burt and Mr Fenwick. It is, of course, the old problem of reconciling corporate authority with private judgments, which is by no means confined to the Labour Party. No doubt every society is bound to exercise a certain amount of discipline over its individual members for the sake of the common ideal. And it is for each society to decide how much discipline may be necessary to secure its main purpose at any point. But an avowedly Socialist party should always be on its guard against the easy abuse of majority rule, and particularly when, as in the case of the Labour Party, its very name suggests a class as distinct from a communal basis.

The long-drawn contest for supremacy between the American Government and the Trusts has reached another stage by the introduction into Congress of President Taft's draft for a Federal Incorporation Law. Under the scheme proposed, a corporation would be enabled to take out a Federal Charter covering the whole country, instead of being compelled as now to get a charter from each separate state. The main result would be that while, on the one hand, the companies would gain more freedom in organization, on the other, they would be brought under the general supervision of the Central Government, and would be subject to strict regulations designed to prevent stock manipulations and the stifling of competition. Two general questions are involved in the situation, both of them extremely interesting in the development of modern democracy, as representing the gradual extension of the powers of the Central Government. It is suggested, on the one hand, that the Federal Government should interfere with the existing rights of local bodies, and, on the other, should assume a more definite control over industry and commerce. Meanwhile two cases have been submitted to the Supreme Court—those of the Tobacco Trust and the Standard Oil Company—to test the legality of recent penalties imposed by the lower courts for combinations in restraint of trade. If these decisions are upheld, the Trusts may perhaps be the more inclined to accept the President's solution.

We should like to call the attention of those of our readers who are interested in Political Philosophy to Professor Henry Jones' recently published volume, *The Working Faith of a Social Reformer*. It consists of a series of essays on current political problems treated from a very wide and philosophical point of view. The great value of the book lies in its searching analysis of the current catchwords and metaphors of political thought, and of the familiar oppositions of political controversy. Professor Jones has the secret of combining eloquence and enthusiasm with a philosophic aloofness from party. With the single exception of the very interesting essay on the "Moral Aspect of the Fiscal Question," none of his discussions could be

said to give direct controversial assistance to any politician. He is neither Socialist nor Individualist, he refuses to put freedom before order, or order before freedom, he will not pronounce for the individual against the State, or for the State against the individual. All these oppositions he finds unmeaning, and out of them all he builds up the theory of the State in which they are reconciled. Above all, Professor Jones is an optimist, and he is not ashamed to confess it. He demands of the reformer loyalty to the past as well as ambition for the future, for only when a man values his country as it is will he judge truly what it may become. Faith in his country and faith in reflection—these are the two chief weapons of the social reformer, and his aim is, remembering that the State is “a partnership” (as Burke said) “in every virtue and in all perfection,” to teach both master and man that, “every industry in the land is meant to be a school of virtue.” That is a wider aim than the mere passing of Acts of Parliament, and, of course, it is not to be attained without legislation. But it is worth while remembering that it is the moral, and not the legislative, result that we are aiming at.

SOME ASPECTS OF TARIFF REFORM¹

WHEN, in response to an invitation to read a paper before this Society, I chose a subject, I did not forecast the sequence of events which would place a General Election between the easy announcement of my intention, too lightly given, perhaps, some months ago, and its most arduous fulfilment. But, according to the proverb, rash promises have an awkward habit of "coming home to roost" at unexpected hours, and a capricious destiny has brought me to argue the case for Tariff Reform in the chief business centre of Scotland at a moment when we have just been told, in the electioneering slang of the day, that the northern half of the United Kingdom has "gone solid" for our present fiscal policy. I am, however, emboldened to persist by two or three considerations.

In the first place, the city of Glasgow furnished an "exception," which may be held to "prove the general rule" of the Scottish constituencies, by failing to return as its representatives to the new Parliament an unbroken group of stalwart Free Traders. In one division the actual result might perhaps be deemed fortuitous, as it was due to the irregularity of a "three-cornered" contest, but, in providing there a seat for a newcomer, the electors sent to the House of Commons a recognized protagonist² of Tariff Reform.

In the second place, the belief freely uttered after the General Election of 1906 that the movement started some three years earlier by Mr Chamberlain with dauntless courage was "killed outright," has proved to be premature, and it needs no great assurance at the present juncture to look forward to a final

¹ A Paper read before the Economic Science Section of the Royal Philosophical Society of Glasgow on March 16, 1910

² Mr. H. J. Mackinder.

victory for a cause which has now elicited the favouring suffrages of so many voters in the British Isles. The "convinced" advocates of fiscal change, who are certain that they have valid reasons for the "faith that is in them," cannot consistently suppose that they will not persuade the manufacturing North of England by the logic which has rallied to their help the industrial Midlands, and the commercial and professional South, together with the bulk of the agricultural folk of the countryside. They are supported in this view by independent foreign critics.

No frank observer of the trend of educated thought will deny that since 1903 a marked change of disposition has grown more and more apparent in intellectual circles, and on this particular ground I should rest the chief appeal for reconsideration of the fundamental issues by a community like the Scotch, which looks for and appreciates reasoned argument.

As an example of the new standpoint from which the subject is being now approached by men of such calibre and training, I might cite the candid and suggestive statement of the views of Adam Smith, considered in their pertinence to the existing situation, which has been laid before his readers by Professor Nicholson, of Edinburgh, in his recent book¹. The ultimate conclusions reached therein may not satisfy extreme partisans on either side, but the volume serves opportunely as a landmark in the history of the debate. For, while the author does not travel as far, or as fast, perhaps, as impetuous Tariff Reformers might desire, towards the goal at which they aim, the temperate logic of his informing chapters is conspicuously free from that complacent arrogance which, not so very long ago, was wont to dismiss with pitying contempt all questioning of Free Trade, or to draw back in shocked dismay at what were thought to be the poisonous heresies of ill-intentioned ignoramuses. From this obscurantist attitude we have now, it may be hoped, parted finally in intellectual quarters.

It is in the direction I have hinted that I would try to turn your thoughts by my remarks. It is on such aspects of Tariff

¹ *A Project of Empire*,

Reform that I hope it may be profitable to fix the observation of a society of reasoners whose primary business it must be to ponder carefully every view which can be sustained by valid argument. I want you, if you will, to join in studying what I would call the "philosophy" of the fiscal question.

May I, without offence, preface this examination with the dogmatic statement that every honest controversialist should try to "clear" his "mind of cant"? It is no doubt impossible to be born, or to be reared, in any neighbourhood without being influenced by the surroundings. We acquire in our lives very soon a certain pattern of intellectual furniture which leaves a narrowed space for the later introduction of new modes. We contract unconsciously from the atmosphere in which we move subtle inclinations and concealed prejudice, and these become, unless we offer vigilant resistance, settled prepossessions. Yet we must surely be prepared to discard our cherished notions, and to revise absolute opinions, if we would allow full play to independent energy in the tireless prosecution of the search for truth. We should be observant and alert—ever on our guard against a blind or lazy acquiescence in authoritative utterance or traditional belief. We should take nought as proved without examination, and should test every argument advanced.

I have presumed to insist upon these commonplaces of an enlightened rationalism in Economics, because I have experienced their benefit and need. Like many other reformers of our Tariff I received the education of an "orthodox" Free Trader. I am afraid that I participated in the lofty ridicule habitually dealt out by economic writers to Protection. I aspired to be found amongst those confident logicians who were sure that they could furnish a conclusive statement for Free Trade whenever the question was discussed on an elevated platform of hard reasoning. But I can now perceive that I took much for granted in the positive faith which I proclaimed, or at any rate I accepted lightly without serious questioning not a little which was really open to dispute. For no less good a plea can be established by convincing logic for Protection than that commonly put forward for the opposing fiscal scheme. But to reach

this result we must not rest content with any superficial survey of the ground. We must go down with courage and determination to the lowest bases of the argumentative structure we erect. That fallacy and error haunt ordinary statements of Protectionists I should allow without reserve. But the popular Free Trade seems to me no less easily or frequently betrayed into incomplete or wrong assertion, and there is not much to choose, so far as I can form an estimate, between the two varieties of equivocation or misunderstanding.

With your leave and aid, then, I propose to scrutinize some familiar phraseology, and I hope to show that its use has often been so lax, and the interpretation given shifts so rapidly, that the building raised on these foundations does not rest upon a basis that is permanently secure.

I will begin with the consideration of the term "Free Trade" itself. A short study of the reasonings and conclusions of theoretical writers of repute will speedily disclose one fact of some significance. It is this. What was generally in their thoughts when they wrote about "Free Trade" was certainly not the fiscal system which prevails to-day. A free-importing nation, like our own, is now set in the midst of neighbouring rivals, sheltering behind the walls of hostile tariffs, which continually rise higher, and are seldom lowered to any marked extent. These tariffs have been framed expressly to prohibit or to hinder British goods from entering those countries, while our marts stand, by contrast, open to the untaxed admission of such products of external industry as can be regarded as competing with our own. For that, you will remember, is the settled rule which regulates our fiscal policy. If foreign commodities do not compete with ours, then they may be taxed, as it is thought that the collection of revenue alone will supply the single actuating and determining motive. But the levying of an import duty on a possible competitor, without an equivalent excise, constituting, it is held, an "interference" with the course of trade, is forbidden.

I am not at present arguing for or against our existing fiscal practice. That particular question can, I think, be answered in

another way I know that in the middle of the nineteenth century Peel averred that it would be of more advantage for Great Britain to "fight hostile tariffs" with this imperfect system of "free imports," than to pursue without avail a long series of tiresome negotiations with various Continental Powers for reciprocity in the fiscal treatment of their respective goods by both of the exchanging parties. I read that pronouncement as applied to the facts obtaining when it was laid down. The prophecy, as confidently made by Cobden, that other nations would soon follow our example, affords a strong presumption for declining to regard the course then recommended as fit for every situation. Nor is it *à priori* likely that such statecraft should preserve its validity unimpaired against the lapse of any length of time or the occurrence, accidental or designed, of any change in the environment. The subsequent act of Cobden himself in arranging a Commercial Treaty with Napoleon has been held to justify the sobriquet of "opportunist," with all that the title carries of mild reproach. Some critics, indeed, would say that in his seeming inconsistency he displayed his native shrewdness, and careful readers of his earlier speeches on the platform will probably remark how his quick discernment of the needs of the immediate juncture was exhibited in his scanty use of what could fairly be described as general economic reasoning, and in his frequent apt employment in its stead of homely illustrations drawn from obvious familiar facts to support some limited special thesis. His rare persuasive power was skilfully directed to the situation by which he was faced, and his dialectic, thus habitually addressed *ad hoc*, was usually most business-like.

But it is not the less significant on this account that the conception of "Free Trade," framed and taught by economic writers who preceded the repeal of the Corn Laws, and those historic later Budgets of 1853 and 1860, in which the tariff was at last purged of all protective taint, accords with the treatises of our own day in portraying and commending the relations which arise, and the nature of the bargains fixed, between exchanging countries, when both or all the parties practice

"Free Trade" in its fullest and most accurate sense The condition of affairs is different, and the deductions drawn from the first hypothesis do not *proprio motu* remain good, where a free-importing people confronts rival nations using generally hostile tariffs The two positions are manifestly not identical in all particulars But the latter is the actual situation by which we are now confronted, and, so far as we can tell, it is not very likely to be altered in this year, or in the next, or in the years which will follow The greatest caution should accordingly be shown in transferring the compact completeness of the theorising, as it is elaborated on the lines described, to the broken tangle of the trading practice amid which we move

Yet nothing is perhaps more commonly encountered in the polemical writing on the fiscal problem than the calm attribution of the merits of a system of "Free Trade" to the different plan of "free imports" Many authors probably do not inquire of themselves, as they should, nor do they stimulate their readers to propound the question, whether the superiority of "Free Trade," supposing it were fully realized in fact, as it has been pictured in imagination, constitutes a valid, or still less a final, argument for a policy of "free imports," which, judged at any rate from the original standpoint, must be considered incomplete. The distinction, which appears at once on fair inquiry, is often slurred or ignored by controversialists Or it is perhaps wholly forgotten, and both schemes are thought to be substantially identical

It is, therefore, neither unjust nor irrelevant to object that the practice of "free imports," masquerading in the fancy garments of the theory of "Free Trade," has taken credit, by a bold disguise, for some deserts to which it has no claim Not a few participants in popular discussion, if they dealt honestly with their listeners and themselves, and applied a searching scrutiny to the terminology they use, would be compelled to own their fault They would confess that they had, wittingly or insensibly, in one direction or another, effected a transition between the existence of a "halting" system of "free imports"

and the assumption of the more satisfying system of "Free Trade," and that the process was not always visible or understood

The complimentary epithet of "natural," and the concession of advantages to an "international," or "territorial," "division of labour," analogous to those attending on the recognition of the principle in the different trades or districts of a single country, belong of right, it will be allowed by those who take the pains to institute a full inquiry, to a system of "Free Trade", but by hurrying, indiscriminate advocates they have been associated with a system of "free imports" No genuine or sustained endeavour has been made to justify the transfer by explicit argument Yet "free imports" are manifestly but one-half, or they are the first part only, of the whole programme which "Free Trade" comprehends

The scientific statement of the benefits arising from divided labour, it may be observed in passing, has not been allowed in later economic treatises on principles to conceal less favouring considerations pointing to some serious drawbacks in the actual working of the system Nor, indeed, is it probable that its unquestioned merits should be realized when the labour distributed between the various parties is, as it has been expressed, not "complementary" but, on the contrary, "competitive" Yet this is in fact largely our position, at the present time, with reference to Germany and the United States It thus contrasts with that "golden age" which occupied the middle portion of the nineteenth century Foreign lands were then perforce content to furnish raw materials and food supplies to Britain, and they were in fact compelled to receive in exchange, even if they had to pass behind the barriers of their protective tariffs, those manufactured articles in the output of which we still enjoyed a recognized pre-eminence for cheapness coupled with good quality. Now, by comparison, we face competitors in industry and trade able and desirous to supply with finished products both ourselves and those whose custom once belonged to us

II But, leaving points like these aside, let us next approach a question which is still more fundamental For what is the precise significance of the favouring description of "Free Trade"

as "natural," supposing that the fuller and more accurate sense be understood in which it is distinguished from "free imports" ? On a superficial glance, indeed, the epithet "free," even when applied to a limited scheme of "free imports," might appear to ensure a preference for a policy which could be so named. But, when a closer and more rigorous inspection has been made, we soon discover that the advantage is apparent rather than substantial. For it requires no prolonged or arduous research into the history of fact or thought to find reasons for asserting that "Protection" is entitled no less evidently to be spoken of as "natural." It is as congruous with human instinct to "protect" as it is to leave itself open to the assault of competition. Nor is it irrelevant to contend that the expression "natural" itself is deceptive, and belongs to an antiquated philosophic sect. Parted from that particular association the attribute becomes unmeaning, and its use is incorrigibly lax. It has been deliberately discarded by such reasoners as dislike, and are scrupulous to avoid, confused thinking, and ambiguous utterance. And yet it fills a leading rôle in much popular discussion, while it has forced an entry, overcoming some half-hearted disapproval, into the less meretricious diction of the "scientific" champions and logical exponents of a special fiscal creed. Consciously or unwittingly, tacitly if not expressly, they, like the crowd, attach to its employment an argumentative weight it cannot at this time of day be shown to possess.

What, then, is the real pertinence of the positive statement, advanced sometimes as absolute axiomatic truth, which can dispense with the support of reasoning, and needs no corroboration from experience, that Free Trade, being "natural," should receive the clear approval of intelligent men who have not been biassed by selfish interest or by corrupting motive ? Such an affirmation, however authoritative may seem the source from which it issues, should not, it is plain, be taken upon trust. It should, on the contrary, be subjected to full and strict analysis. But, when this wholesome discipline has been undergone, the pretensions, of which the bulk had previously loomed large, are ridiculously reduced. We are surprised that they should

continue to deceive even the short-sighted and the credulous. We are yet more disappointed that they should have imposed upon alert instructed students whom we might have trusted to possess and display a salutary scepticism of such "question-begging" phraseology.

The epithet "natural" is conspicuous on the pages of the *Wealth of Nations*, and the eloquent plea for "freedom of trade" put forward by its author, who certainly commanded in abundant measure the qualities, both good and less praiseworthy, of the convinced, persuasive advocate, is bound up closely with that more general and comprehensive creed which he professed. That was to this effect. The artificial restraints and hindrances imposed by man being set aside, the "obvious and simple system," known as that of "natural liberty," would be established of its own accord. But minute criticism of the detailed text of Adam Smith has shown that his employment of the designation "natural" was not accompanied throughout his book by one unvarying commentary. Nor does it receive only a single explanation. It does not seem always to carry an implicit eulogy, nor does it prove his full contentment with the position so described.

Sometimes, indeed, and perhaps more commonly, influenced by ideas prevailing in the philosophic thought, with which he was brought into friendly contact by early study and by later travel, he regarded "natural liberty" as an ideal, and held and preached that the arrangements of mankind should be induced, or allowed, as far as possible, to approximate to this desirable condition. But from other passages in his writings it is clear that, at the best, the state which he had in mind on some occasions was of a neutral character, and no more could strictly be said of it, whether by way of praise or of blame, than that it would tend to be realized, if restriction or compulsion were withdrawn or removed. At the worst, however, so far from enjoining acquiescence in "liberty," thus conceived or accomplished, he lent his imprimatur to action purposely designed to prevent or mitigate this result.

And it is to be noted, in connection with the question we are

now discussing, that the exceptions to the general rule of freedom of trade, introduced into his argument, were not merely significant when stated in his words, but, as Professor Nicholson has shown, they admit of large extension, and will cover circumstances that Adam Smith himself did not describe, or perhaps even contemplate

In this balanced attitude of reasonable compromise the Scotch economist may possibly be held by affectionate admirers, who can see no blemish in their paragon, to have furnished a striking illustration of the combined sanity of temper and shrewdness of view which they rank among the characteristics that guarantee his lasting fame. Other less ardent followers may be disposed to bring a charge of a regrettable lapse from consistency in what they may represent as a slippery interpretation of a phrase and an idea on which much of the controversial argument of the *Wealth of Nations* depends for its driving power. But, if the second more adverse estimate receive the larger favour, an excuse may still be found for Adam Smith

It is derived from the notorious divergencies of the individual members of that trio of political philosophers who were responsible during the seventeenth and eighteenth centuries for the varying notions framed of the "state of nature." This, it will be remembered, supplied, as they conceived and taught, either the antecedent, or the environment, of the "social contract" determining in a civilized community the fundamental relations of the governing authority to the governed. It is now widely agreed that the dismissal of the whole assemblage of ideas, which gathered around the central portion of the political theory thus propounded in succession, with notable changes of detail, by Hobbes, Locke, and Rousseau, has been beneficial rather than injurious to the interests of clear and accurate thinking on such subjects. And, with the common abandonment of the unhistorical "state of nature," the continued separation of any rights as "natural," with which Governments cannot, or should not, "interfere," has encountered the suspicion, where it is not visited with the censure, of informed students

of politics. It seems to them to be an unmeaning relic of a dead superstition.

Although, therefore, the distinction of what is "natural" from what is "artificial" clings stubbornly to common speech, it excites legitimate distrust in intellectual circles; and closer scrutiny will often bring into the light the humbling truth that no more argumentative weight attaches to the use of either epithet than that measured by the inclination or the prejudice of those who employ them. The two contrasted attributes indeed have earned deservedly the positive or negative reproach of being misleading or illusory. They generally evade or twist instead of answering the question.

But it should be noticed, before we leave the parentage we have been tracing, that perhaps the most successful assault upon the elastic theory of a "social contract" has proceeded from those critics, who have urged that in the very conception of the "state of nature," antecedent to a civilized society, the pre-existence of some sort of government, and the exercise by it of some amount of controlling or directing power, are implied. Historically, at any rate, it is certain that in every orderly community the restraint of the State is as primary and as fundamental as is the "liberty" of the individual, and in this respect the "interference" of Governments cannot be pronounced to be more "artificial" than the "freedom" which is posed in antithesis. Such pertinacious questionings as these have seriously disturbed the bases of the theory of "*laissez-faire*," once reputed to be so secure, and, philosophically viewed, "free trade" is a species of that genus.

It is not improbable that the original traditions of Political Economy have helped to preserve in this particular department of research and thought some appearance of vitality for the difference between the "natural" and the "artificial." But nevertheless the prominent writers of our day have tried to avoid the unwarrantable associations of the contrast by substituting for the former of the two opposed expressions a less ambiguous and more neutral epithet. They have spoken by preference of what is "normal." By this departure from

former usage they have hoped, it is evident, to escape from the conveyance of any ethical suggestion, and they have wished to indicate, what will tend, in the absence of impeding friction, to be realized in the economic world, rather than declare or inculcate what ought to be achieved. But this laudable purpose has not succeeded wholly. Nor perhaps could it be reasonably expected that later study should effect a complete detachment from its earlier surroundings.

It is difficult for an intelligent student to peruse a systematic treatise on the principles of Economics, whether it be penned by an "old master" of immortal fame, or proceed from some later writer of more fresh repute, without remarking on the large reliance placed in the successive chapters of the book on the assumption of "free competition," or, if another phrase be used by choice, of "free enterprise." The hypothesis is fundamental to the argument developed. And, if such a student be so inquiring as to ask for the full meaning of the epithet employed, he will find, in spite of reservations which the more careful expositor may not improbably append, that it is accurate to say that by economists thus using the term "free" the authoritative activity of Governments, and the "interference" of the State, are introduced, when they appear at all in the reasoning process, as an "afterthought," subordinate and subsequent to the dominating presupposed "liberty" of the individual.

It is true that the rounded Physiocratic notion of a "natural order" of affairs, even when presented in the looser shape adopted in the *Wealth of Nations* by the admirer of the French *Économistes*, would be now repudiated by many eminent professors. Similarly they would greet with general, if not unreserved, approval such departures from the unbending rule of *laissez-faire* as that made in the Factory Laws of most civilized Governments of our time. It is also true that with every year, or month, or week, or day, a larger recognition of monopoly and combination can be seen in the new text-books which have been published, reflecting faithfully the more prominent place assumed by Trusts and Trade Unions in the management of trading and industrial concerns, and in the relations of employed

to their employers. But in France the dominance is not ended of a sect more thoroughly "orthodox" even than the "orthodox" economists of the past, in deprecating the "interference" of the State with the "freedom" of the individual. Nor is the important question of the settlement of a bargain between two combinations soluble, so far as I can see, by the most refined and polished implements of that mathematical Economics which extends its moulding influence over theorizing here and on the other side of the Atlantic Ocean. I cannot, therefore, grant that my general conclusion is extravagant, when I affirm that the "free competition" of individuals, interpreted in reference to the authority of Government as I have shown, is the assumption which can be discovered at the start of most methodical processes of economic reasoning, and will frequently be found accompanying their development throughout and sometimes attending even at their finish.

But, if this opinion stand, it must have its relevance to the common notion that "Free Trade" is in full and obvious agreement, while the fiscal policy of Protection must be wholly discrepant, with what is "economically" correct. I am aware that many individual economists, who are "convinced" Free Traders, would, when pressed, concede, or might even voluntarily affirm, that Economics by itself is, and should be, neutral on such subjects, and that the right decision of what is in the main an affair of statesmanship hinges on considerations which do not arise in the regular course of speculative theory. I know that there have been, and that there are, teachers who would recognize, or even advocate, as desirable in exceptional conditions, temporary variations from a fiscal programme drawn up in accord with Free Trade principles. And there are others who are ready to defend a full permanent system of Protection by reasoned argument. Indeed, it is not exaggerated to pronounce that no small quantity of the industrious erudition and the dialectical acumen of the present and the last generation of economists has been applied with opportune persistence and felicitous dexterity to the detection and exposure of the gaping apertures in the logical defences of Free Trade.

Yet it will not be denied that the subtle lingering aroma of traditional association haunts the feeling, now perhaps more unconsciously encouraged than unreservedly displayed, that Protection can be justified politically rather than supported on strict economic grounds, and a conception continues to be widely entertained in which Free Trade is posed upon a special eminence of its own as the "natural" policy to be pursued by intelligent administrators of finance. For this view I maintain that the assumption commonly employed in economic theorising, to which I have referred, is largely responsible, and I should accordingly be surprised if the broad impression did not still prevail that the text-books, while proving the superior excellence of a fiscal policy of Free Trade, furnished also a complete and final refutation of all the dialectic that could be advanced in favour of Protection. The acceptance of the naive idea is certainly not uncommon, but no different cause can be assigned for this than for the approval understood to be bestowed by economists as such upon the general policy of "*laissez-faire*". The same measure of validity—no more and no less—attaches to this whole class of reasoning which deprecates or discourages the "interference" of the State with the "freedom" of the individual. But, on grounds of logic and of history alike, we can declare with confidence that the existence and the acts of Governments are no less "natural" and no more "artificial" than is their abstinence from administrative activity. Nor is any final argument derived from experience or reflection to show why a rigid line of separation should be drawn between the trade and industry of a country and those other spheres of national life in which, in increasing measure in these days, the State exerts an impelling or restraining influence.

Free Trade, indeed, like the genus "*administrative nihilism*," of which it is a species, may be the easiest, and perhaps it would also seem the least adventurous or surprising, policy for statesmen to pursue. They will certainly have to make decisions, which may be right or may be wrong, on points involving more or less of difficulty or risk, if they move away from that comfortable and convenient, albeit passive attitude. But they

prove their competence and they establish their repute by the skill and wisdom with which they take up and handle troublesome questions of this kind, and little lasting credit can be gained by the dexterous slipperiness, or the cowardly discretion, which wins their escape from such predicaments. Thus regarded Free Trade is in short the culpable abnegation rather than the meritorious discharge of the functions and responsibilities of statesmanship. It may, indeed, be doubted whether it is really possible in actual practice to "leave" men so entirely "alone" in trade and industry, or to exclude from a customs tariff, or a general fiscal scheme, all considerations besides those of revenue. The ideal of Free Trade, which is pictured in imaginative abstractions, may be unattainable in concrete embodiment. But, apart from this puzzle, any one who surveys the position with an open mind and a discerning eye will probably arrive at last at the conclusion that, when it is argued that "Free Trade" allows business and industry to "flow" unaided and unhindered in the "natural" channels of their automatic choice, the epithet "natural" conveys an erroneous or incomplete idea, if it be presumed that such conduct must be best, or that a different line of action would be, by contrast, "artificial."

Such disingenuous phrases, then, which "beg the question," should be definitely dismissed before the respective pros and cons of Free Trade and Protection are considered with reference to practical expediency in circumstances actually existing. For, so long as acquired associations such as these are permitted to intrude their insidious influence, it is hopeless to expect an equitable judgment on the real merits of the fiscal problem. The case is prejudiced at the beginning and a decisive bias is imparted from the outset. For Free Trade is given an ostensible advantage to which it has no lasting or exclusive claim.

III With another phrase, which has been put to constant service in connexion with the fiscal question, I can only deal summarily at this stage. But its common use exemplifies, with great cogency, the particular moral I am trying to enforce. It is not analysed, it is taken upon trust. The statement that "imports are paid for by exports" is often introduced with a

triumphant air of calm assurance, as if the declaration, when made with sufficient emphasis, disposed of every doubt about Free Trade which could be entertained, and dealt a final blow to all the fallacies advanced or cherished by Protectionists. And thus that arrogance, which is perhaps the most unlovely trait of the robust Free Trader, has been shown in the mingled pride and scorn with which this weapon of victorious argument has been brandished aloft. And, on the other hand, a clinching illustration is supplied of the need of ridding resolutely our minds of "cant," if we would reach a considered judgment on the fundamental issues. Mr. Balfour was, I think, amply justified when he stated in a recent speech that the dictum I have quoted corresponded to no more than the initial stage of a long discussion. Its bare repetition is no answer to the plea for a change in our present fiscal policy, for we have hardly crossed the threshold of the real debate when we have yielded our assent to the proposition. As a retort, indeed, to some primitive extravagance, of which Protectionists may be guilty when they lay excessive stress upon the part taken by money in international exchange, or as a reply to the preposterous idea that foreigners will go on sending us their goods without obtaining a return, the assertion may have had its use. But it does not carry the partakers in the controversy very far. The admission of its truth leaves entirely untouched considerations which are vital to the settlement of the fiscal problem.

The question, in the first place, of the quality, or the character, of the imports and the exports is not even raised, and much less is it satisfactorily resolved, by the isolated statement. It is possible that both the exports and the imports might be bringing abiding harm, although they yielded momentary advantage, to one of the two nations concerned, and in that case the bare circumstance that the imports were being paid for by the exports would afford no comfort and would give no compensation. We might, for example, be exporting necessities while we were importing luxuries, and the mere assertion furnishes no guarantee whatever that the present interest of the individual trader, which alone is obviously regarded in the international

exchange, will coincide with the future interest of the whole community of which he is one member. Even at the immediate moment a collision of such interests may conceivably occur. The truism, accordingly, that "imports are paid for by exports," leaves unaffected the validity of the argument advanced to show that a Protective Tariff, such as that maintained by Germany to-day, may tend to make the imports she receives from foreign nations, like ourselves, consist in larger measure of raw materials or of partly finished goods, and less preponderantly of manufactures, while her exports become, in consequence of the same influencing cause more exclusively composed of completed products. Or, again, we may be providing coal which we cannot, it is evident, replace, to be used to our disadvantage by our manufacturing rivals, or we may be sending them machinery, which in time they will copy and reproduce, or we may be selling sweated goods made by low-paid workers under insani-tary conditions, and we may be importing in exchange highly finished articles which we could turn out with our own capital and our own labour. I do not for the moment argue whether such is or is not the actual fact, I am content to affirm that its realization is compatible with the truism that "imports are paid for by exports."

Again, attention has been sometimes called to the large excess of imports over exports, which is a feature of our present business dealings, not merely with some one particular nation, but also with the world at large. The response is given that there are "invisible" exports, such as our shipbuilding industry and our carrying trade, for our services in which some return must be forthcoming in the shape of imports which are swelled thereby. And it is also urged that interest, paid to us mainly in the form of goods, is due for capital invested previously abroad, which similarly went out chiefly in the form of goods. These "invisible" exports, so-called, can only be conjecturally reckoned, and they may, or they may not, explain all, or more than all, the excess which is apparent. But they suggest possibilities which discount the favouring conclusions drawn from the unexamined statement that "imports are paid for by exports."

For, in the first place, an equivalence of values, and not an equality of quantities, is postulated. In the second place, although actual cash may furnish but a small proportion of the imports, or the exports, of any modern country occupied in large business, yet the import or export of securities may be a more considerable factor. We might, accordingly, be withdrawing capital from investment without altering the payment of imports by exports. Nor is the assertion by itself incompatible with either of the two alternatives recently contrasted with each other, the one of which was evidently beneficial, and the other was as manifestly harmful, to the country. The capital, which is now being invested in other lands, may be leaving us because our demands have first been fully satisfied, or it may be driven abroad by penalising taxes, or by legislation which is thought to menace the security of business enterprise. Nor, in this connexion, once again, should it be forgotten that the receipt by the individual investor of interest on his capital, exported in the past or at the present time, stands apart from the maintenance or increase of the productive power of the country as a whole, and, to some extent, from the continued profitable employment of its working population. Nor were we, lastly, to become, like the Dutch before their final decadence, the carriers for other peoples, having lost our manufacturing industries, is it proved that the change would conduce to the permanent advantage of the whole nation. All such questions raise very important issues. But they require detailed analysis of the figures of our outward and our inward trade, and they are not answered by the asseveration which contents the "convinced" Free Trader.

Once again, the equivalence between imports and exports is allowed not to be achieved at once. On the contrary, its full accomplishment may conceivably be delayed to a distant period of time. We have here, in fact, one of those many examples to be found in Economics of a statement which is true only "in the long run." Similarly, it may not apply to the intercourse of two nations by themselves alone, for the final settlement may pass through the hands of a third, or a fourth, or a fifth

country or more. In the interval, then, which parts the beginning from the end of the transaction, much may happen, and many disturbing influences may intervene to hinder or delay the attainment of complete equilibrium. The difference between such a tendency and its fulfilment may be very great.

Nor, it may be noticed in conclusion, is the moral drawn by the Free Trader entirely convincing or encouraging. He maintains that, if you look after the imports, you can trust the exports to take care of themselves. But this counsel can with ease be reversed, and the cynical observer may point out that, unless you secure your exports, you will not continue to receive your imports. For a country like our own, which at the present moment is dependent in so large a measure on external sources for the raw materials for its manufacturing industries, and for food supplies for its inhabitants, this consideration has especial pertinence. Although exclusive notice of the movements of our foreign commerce may lead us to forget the existence, or to underestimate the magnitude, of the business done at home, yet the continuance and development of our export trade are necessary to our industrial welfare, and even to our national vitality. We must tempt or induce other countries to buy our goods if we would insure the acquisition in exchange of the food and materials we imperatively require.

And so the bare assertion that imports are paid for by exports, when taken upon trust, without detailed examination, does not carry us beyond the very A B C of the fiscal question. It is a characteristic specimen of the "cant" of which we should rid our minds, and the brief inspection I have made will perhaps demonstrate the need of digging below the surface of such statements to reach satisfying or disconcerting truth.

For the reason stated in the final stage of the analysis I have attempted, the vision of an Imperial Trade, to be encouraged by a policy of mutual preference, is especially attractive to reformers of our tariff. They do not desire merely entrance for our manufactures on more favouring terms than those given to foreign nations into the enlarging markets of the self-governing Colonies and the Dependencies, but they hope also to obtain in the

future from within Greater Britain an increasing portion of the food we eat and of the raw material, such as cotton, which we use

Such a prospect seems to enthusiastic patriots to be bright indeed, and they will assuredly continue to direct all their efforts to the removal of the remaining obstacles which bar the path. But they wish for this achievement, not so much in the guise of the passing victory at a General Election of one political party in the United Kingdom, as in the more permanent shape of the final realization of the matured convictions of the peoples of the British Empire. To the accomplishment of this elevating purpose the emancipation of our minds from certain obstinate prepossessions of the class I have described may possibly afford some timely aid

L. L. PRICE

SOCIAL CONDITIONS AND THE PRINCIPLES OF 1834

IT is remarkable how much of the discussion on the recent Poor Law Commission gives proof of the extent to which we are still bound by the discredited habit of thinking in water-tight compartments. Pauperism, it is hardly too much to say, is still regarded as a thing in itself, whose history can be traced and whose remedy can be indicated with the very minimum of attention to the conditions of society as a whole. "The tyranny of the category," as Mr. Sidney Webb has called it, dominates

But, as a matter of fact, the problem of pauperism is and always has been a small part in a much wider social problem. Its chief importance is as a symptom. What is needed is to direct attention (as the Minority Report, at least, has done) to the social problem as a whole—to point out that the anomaly known as the Poor Law had, for historical reasons, been attempting to deal with a variety of discrete elements in that social problem as though they were one separate problem. To realize those historical reasons is also important. We shall not thoroughly shake ourselves free of an overweening reverence for "the principles of 1834" until we have it quite clear in our minds that the Old Poor Law—that is to say, the Poor Law as administered between Gilbert's Act and 1834—was neither sheer aberration, nor a primary cause of the undoubted degradation of "the poor" at the beginning of the nineteenth century. It was a policy forced upon the administrators of that half-century, by motives partly political, partly humanitarian, in view of the terrible degradation of the standard of life of the working classes caused by the industrial revolution, the enclosures, and the Napoleonic wars. It staved off revolution, it staved off positive starvation. No alternative policy possible under the

given social and psychological conditions has ever been elaborated. The story of that half-century is of course well known to readers of the *Economic Review*. Still it may be useful at the present juncture to glance through it once again from the point of view of its poor-law policy. More especially it is interesting to note the quantity of neglected material for estimating the stress of the circumstances which lay before the Commissioners of 1832-4. Besides the Reports of their own Assistant Commissioners, they had the Minutes of Evidence given before the Committees of 1817 (Poor Laws), 1818 (ditto), 1822 (Agricultural Depression), 1824 (Labourers' Wages), 1827 (Emigration), and 1828 and 1831 (Poor Laws), to cite no other authorities. These present a most interesting, if heart-rending, picture of the condition of things prevailing after the peace, especially among the agricultural labourers, with whom alone, as the Minority Report points out, the Commissioners were seriously concerning themselves.

For the conditions previous to the Peace official material is not so rich. As regards agricultural conditions we have only the three Committees on Enclosure (1795, 1797, and 1800) and the four Committees on the Price of Provisions (1783, 1795, 1800, and 1801). There is absolutely nothing for the whole period of the second French war. This fact, together with certain evidence in the later Reports, tends to support Dr. Hasbach's conclusion¹ that the Speenhamland policy was not in very serious operation during those years. Thus we get three periods indicated: that which saw the initiation of the policy, say 1760 to 1804, that in which it appears to have been used as an occasional help only, c. 1804 to 1815, and that in which the use of the policy developed into a regular habit, at least in the south of England, c. 1815 to 1834.

The whole period was one of great economic disturbance. Throughout, the industrial revolution and the agricultural revolution were going forward. For nearly a quarter of a century an almost uninterrupted great war was in progress. For a quarter of a century cash payments were suspended, and

¹ *History of the English Agricultural Labourer*, pp. 183 f.

a consequent depreciation of the currency went on. The peace meant a violent cessation of certain large demands. The restoration of cash payments meant a new dislocation of financial relations. It was also a period when heavy burdens fell on poor consumers. The enormous war-taxation was largely raised by indirect imposts on articles of common use. Thus in 1815, out of a revenue of £74½ millions, about 25½ millions came from direct taxation, and 2¾ millions from stamp duties, while 34½ millions came from indirect taxation. Of this, £22 millions were upon food and tobacco, 6 millions upon coals and raw materials, and 4 millions upon manufactured goods. The beer duties brought in 9½ millions, sugar nearly 3 millions, salt over 1½ millions. Yet the first remission of taxation was the abolition of the income tax. The malt duty was indeed reduced, but the soap excise was increased to make up the deficiency. The movement towards free trade in 1824-5 was directed (wisely, no doubt) to reductions of duty on raw materials and imported goods. This again was the principle of Peel's free trade policy in 1842 and the following years. Not till Gladstone's day, as Dr Cunningham notes,¹ did it become a matter of principle "to relieve the masses of the people as consumers." Nor must it be forgotten that the weight of taxation was considerably increased by the bad finance of the Chancellors of the war period.

Dr. Cunningham gives as the characteristic of the whole period "loss of stability." Localities were losing the industries they had possessed for centuries. Individuals lost the trades to which they had been brought up. Families lost the by-industries on which their economy had depended. The great industry and large-scale farming meant a dependence on uncertain (and in time of war peculiarly uncertain) markets, so that those employed in the new trades and in the new industrial districts were spasmodically unemployed or underemployed. When all these processes were completed, the new conditions of life, with their concentration of masses of the population in

¹ *English Industry and Commerce*, p. 838 n.

unplanned towns and unregulated factories, caused periodic epidemics and general uncertainty of health.

Here is at once visible a most potent cause of pauperism, entirely neglected in the Report of 1834 Dr Peicival had stated in his report to the Manchester Board of Health in 1796—

“The large factories are generally injurious to the health of those employed in them, even where no particular diseases prevail The untimely labour of the night, and the protracted labour of the day, with respect to children, not only tends to diminish future expectations as to the general sum of life and industry, by impairing the strength and destroying the vital stamina of the rising generation, but it too often gives encouragement to idleness, extravagance, and profligacy in the parents.”¹

The Report of the Factory Commission of 1833 (more than a generation later and contemporary with the Poor Law Commission) says—

“The effects of factory labour on children are immediate and remote the immediate results are fatigue, sleepiness, and pain, the remote effects, such at least as are usually conceived to result from it, are, deterioration of the physical constitution, deformity, disease, and deficient mental instruction and moral culture”²

As to the condition of the towns, in Chadwick's own words—

“Such is the absence of civic economy in some of our towns that their condition in respect of cleanliness is almost as bad as that of an encamped horde or an undisciplined soldiery”³

Manchester, for instance, is thus described in 1842—

“The streets and lanes in which are the dwellings of the working classes are generally narrow and dirty . the ground has not been properly prepared, there being no sewers for drainage in many of the streets, nor has the slightest regard been paid to the warmth, ventilation, and convenience of the houses, many of them are built back to back, so that the admission of a fresh current of air through them is impossible The rooms are so small, and the ceilings so low, that they are not capable of admitting a sufficient quantity of air to

¹ Cf Hutchins and Harrison, *History of Factory Legislation*, pp 9 f

² Cf Hutchins, *The Public Health Agitation*, p 30

³ *Ibid*

support healthy respiration There is no boiler, oven, washhouse, or any convenience needed by a family The sleeping rooms are not sufficient for decency or even morality, to say nothing of salubrity Frequently there is only one out-office in common to several tenements, and that always partially, and often altogether, open and exposed in many of the streets we find heaps of filth, and pools of stagnant water"¹

Dr Kay (Assistant Poor Law Commissioner), in a pamphlet dealing with social conditions in Manchester, says—

"Instructed in the fatal secret of subsisting on what is barely necessary to life, the labouring classes have ceased to entertain a laudable pride in furnishing their houses and in multiplying the decent comforts which minister to happiness Without distinction of age or sex, careless of all decency, they are crowded in small and wretched tenements, the same bed receiving a succession of tenants, until too offensive even for their unfastidious senses A whole family is often accommodated on a single bed, and sometimes a heap of filthy straw and a covering of old sacking hide them in one undistinguished heap, defaced alike by penury, want of economy, and dissolute habits."

He states in the same pamphlet that—

"These artisans are frequently subjected to a disease in which the sensibility of the stomach and bowels is morbidly deranged . the strength fails, all the capacities of physical enjoyment are destroyed, and the paroxysms of corporeal suffering are aggravated by the horrors of a disordered imagination, till they lead to a gloomy apprehension, to the deepest depression, and almost to despair"²

Chadwick incorporated the following evidence, by C Mott, contractor for the maintenance of the Lambeth poor, in his report to the Commissioners of 1832-34 —

"From the statements of medical men in the Metropolis, and also of such persons as Dr Kay of Manchester, it appears that in consequence of the want of drainage of certain districts, and the crowded and dirty state of the habitations, there are some neighbourhoods from which disease is never absent—Have you observed similar effects in the parishes with which you are acquainted?—I have observed it, not only in Lambeth, but in all crowded neighbourhoods, and seeing how

¹ *The Factory System*, by Wilham Dodd, pp 97 f

² Cited from Dodd's *Factory System*, pp 98-9, 101

large a source of unavoidable pauperism this is, I have long regretted that the proprietors of these small houses were not compelled to keep them in a proper state . Some neighbourhoods are so constantly the seats of particular diseases, and sources of pauperism from that cause, that if assistant overseers, and others accustomed to visit the abodes of the poor, were asked for cases of those diseases, they could direct you to particular places where you would be almost sure to find the disease at work I remember that one winter when the weather was very severe, the beadles of Newington parish were directed to pay particular attention to the sick outdoor poor They went at once to some courts in Kent Street, as a matter of course, without making any inquiry, just as a gamekeeper would go to a well-stocked game preserve, and returned with two coach-loads full of most deplorable objects, the victims of frightful disease ”¹

Such were the conditions into which the industrial and agricultural revolutions had flung large sections of the population But the process did not cause pauperization only when completed It is worth while to follow in some detail the more marked cases of change in the localization of industry

The revolution in the textile trades was of course the essential matter Throughout the seventeenth and eighteenth centuries the woollen manufacture was the great trade of England, and it was localized in the West Riding, the Eastern Counties and the Western Counties Between 1800 and 1834, with the development of steam power, the two latter practically lost their trade to the former Accordingly, Norfolk and Suffolk, Wilts, Devon and Dorset, are noted as five out of the nine most pauperized counties by the *Report on Labourers' Wages* of 1824² The earlier use of water-power, it appears, was quite favourable to parts at least of the Western Counties, and the first development there was simply transition from the domestic to the factory system. Cobbett, in 1826, thus describes the Stroud valley in Gloucestershire —

“From Avening I came on, through Nailsworth, Woodchester, and Rodborough, to this place [Stroud] These villages lie on the side of

¹ *Extracts from the Information received by the Poor Law Commission, 1833, Reprint of 1837, pp 25 f*

² *Reports, vol vi 405*

a narrow and deep valley, with a narrow stream of water running down the middle of it, and this stream turns the wheels of a great many mills and sets of machinery for the making of woollen cloth. The factories begin at Avening, and are scattered all the way down the valley. There are steam-engines as well as water-powers. I should think more than a hundred acres of ground covered with rails or racks for the drying of cloth ”¹

An Assistant Commissioner of the Handloom Weavers' Commission of 1840 states that about 1817 the industry of this district “was in its most flourishing condition” Then—

“the trade fell off. Many manufacturers failed, or gave up business, and the suffering of the manufacturing labourers, for want of work, was extreme. The usual methods were resorted to, such as altering roads, and allotments of land (which brought many to out-of-door work), charitable donations, etc. At that time parish relief was also among the means of subsistence within their reach. The number of weavers gradually diminished, but there are still one-third more than the trade requires or is likely to require ”²

When this Commissioner gives 1817 as a time of flourishing trade in the Western Counties, he probably means that up to that period the volume of trade had not regularly fallen off. The crisis of 1817 was felt there as elsewhere. The *Lords' Committee on the Poor Laws* of 1817 had it given in evidence that the Devonshire manufacture was “nearly destroyed ”³ by the peace. There was severe suffering again during the crisis of 1826. Cobbett, who visited the district in that year, notes that many factories were doing only quarter-time, piece-work wages had besides been reduced by one-fifth, and many men were out of work altogether⁴. He is “quite convinced, not that the cloth-making is at an end, but that it will never be again what it has been ”⁵

Moreover, although the district may have kept its proportion of trade till towards the second quarter of the nineteenth century, employment was reduced by the introduction of

¹ *Rural Rides*, ed 1853, pp 435 f

² *Reports*, 1840, xxiii 277

³ *Report*, p 127

⁴ *Rural Rides*, pp 396, 403, 414, 435

⁵ *Ibid*, p 396

machinery Dr Cunningham points out that the supply of raw material seems to have been diminishing during this period, that at any rate there was no possibility of rapidly increasing it, and that consequently in this case the more work was done by the machines the less employment in the industry remained for human hands ¹ The cheapening of cotton materials, too, lessened the demand for woollen manufactures ² Accordingly we find that as early as 1795 it was alleged that the recent "great increase of the poor's rates" in the parish of Frome (Somerset) was due to the introduction of machines ³ The wool-combing machine "did in one hour, with the employment of one overseer and eleven children, work that would have taken a good workman thirty hours" ⁴ The carding machinery "displaced about 75 per cent of the labour employed" ⁵ This meant unemployment for heads of families The effect of the introduction of the spinning-jenny was more complicated and more widespread Spinning had been a universal by-employment for women During our period, says Dr Cunningham, "spinning was ceasing to be remunerative, even as a by-occupation the fine spinning, which was so much in demand," as it could not, so far, be successfully done by the machines, "was badly paid, while the inferior hands were left idle altogether" "The effects were very serious" "Spinning had been the mainstay of many households, and when it declined, numbers of families, which had hitherto been independent, were unable to support themselves without help from the rates" ⁶ To give an individual example, Cobbett thus accounts for "the decay and misery" of a Cotswold village in 1826 —

"A part, and perhaps a considerable part is owing to the use of machinery, and to the monopolizing, in the manufacture of blankets, of which fabric the town of Witney before mentioned was the centre, and from which town the wool used to be sent round to, and the yarn or warp come back from, all these Cotswold villages, and quite a part of Wilts This work is all now gone, and so the women and

¹ Cunningham, *op cit*, pp 643 ff

² *Ibid*, II 643 ff.

³ *Ibid*, pp 650, 651, n 2

⁴ Eden, II 477

⁵ Cunningham, p 651, n 4

⁶ *Ibid*, pp 655 f

girls are a 'surplus popalashon, mon,' and are, of course, to be dealt with by the Emigration Committee of the Collective Wisdom. There were, only a few years ago, above thirty blanket manufacturers at Witney twenty-five of these have now been swallowed up by the five that now have all the manufacture in their hands. All the villages down to Fairford are pretty much in the same dismal condition as that of Withington"¹

And Eden, thirty years earlier, writes of a Wiltshire parish —

"The labouring poor are very dependent on the neighbouring towns, where the cloth manufacture is carried on, but, unfortunately, since the introduction of machinery, which lately took place, hand-spinning has fallen into disuse. The consequence is that their (the women's) maintenance must chiefly depend on the exertions of the men, whose wages have not increased in proportion to this defalcation from the woman's earnings, and therefore the present dear times are very severely felt by all families. In some of the neighbouring corn parishes the reduction in the price of spinning has been more severely felt than at Seend"²

Unemployment, both of men and women, therefore, was throughout our period a very real cause of industrial distress in the Western Counties and that distress was perhaps at its worst about the period of the Poor Law Commission. Yet the Commissioners make no allusion to it. They concluded that the proper remedy to offer these victims of the industrial revolution was slow starvation, removal to the shameful conditions of the cotton districts, or the "deterrent" workhouse.

The case was much the same in the Eastern Counties. In 1796 Eden reported that the Norwich manufacture was declining, owing to the competition of cheap cotton goods (the Eastern Counties goods were, of course, the finer kinds of woollen materials, with which cotton specially competed. They had fought a great fight with the East India Company over its imported calicoes and muslins at the end of the seventeenth century) also to the closing of their French, Flemish and Dutch markets by the war and also, as he says rather cryptically, "to the low wages of the weavers and spinners, who

¹ *Rural Rides*, pp 464 f

² Eden, III 796 ff

are, in a considerable degree, at the mercy of the master manufacturers, and are not supposed to receive better pay than they did twenty years ago,"¹ the price of provisions, of course, having risen very greatly in that period. Possibly what he means is that the finer yarn was hard to come by, spinners not finding the very low wages offered (2s to 4s a week in Norwich) worth their acceptance. Thus in Wiltshire he had noted that—

"the poor, from the great reduction in the price of spinning, scarcely have the heart to earn the little that is obtained by it. For what they used to receive 1s and 1s 2d the lb for spinning, before the application of machinery, they are now allowed only 5d. So that a woman in a good state of health, and not encumbered with a family, can only earn 2s 6d a week, . . . but if she has a family, she cannot earn more than 2d a day, or 1s a week."²

So in Suffolk he notes "Wages for spinning worsted are now little more than half what they were before the war"³ Dr Cunningham quotes a writer in Youngs' *Annals* as saying, in the early days of the allowance system, that as a consequence of it, "the profligate part of the women have destroyed or have no wheels, and say they cannot earn anything unless supplied by the parish."⁴ We do not in these days think it necessary to ascribe profligacy to persons who refuse to work for a sweating wage.

It appears that though the Norwich manufacture itself revived again temporarily, a considerable part of the Eastern Counties trade was lost for good at this early date. Before the Sturges Bourne Committee of 1817, a witness from Halstead, in Essex, stated that "The parish of Halstead had, twenty-five years ago, a flourishing woollen manufacture of says and baize, that manufacture about 1800 almost entirely ceased."⁵ Leading questions were, as usual by this Committee, put to him to induce him to attribute the rise of the rates to faults in the character of the poor. For the Committee—that Committee from which Robert

Eden, II. 477 ff.

Ibid., III 796 ff

Ibid., II 683

Annals, XXV 634, quoted in Cunningham, II 720 n

Report from Select Committee on the Poor Laws, 1817, Minutes, p 125

Owen hoped the establishment of the Socialist State—believed, as it finally reported, that—

“True benevolence and real charity point to other means [than any State aid to the distressed], which your Committee cannot so well express as in the emphatic language of Mr Burke ‘patience, labour, frugality, sobriety and religion should be recommended to them all the rest is downright fraud’ ”¹

But this witness, like others before the same Committee, stuck to it that the causes of distress were economic “Generally speaking, the character of the poor where I live is very good” “Your surplus population has arisen, you conceive, from the decay of the manufactures?—Yes” “How long have they ceased?—In the year 1785, as far as we could ascertain from an investigation made in 1800, there were about £13,000 paid in the year for work I cannot say what is paid now, but a very small sum” He considered the population to be now about double what could find work in the agriculture of the parish The Committee next suggested that an alteration in the law of settlement might meet the case But the witness’s answer implies that if men could get work they could now leave the parish “In a certain point of view it is an evil to us, but as the law stands at present, there is no possible means of these men living long from us *unless they could find employment elsewhere* ”² The Secretary of the Association for the Relief of the Manufacturing and Labouring Poor says of this same parish that its population amounts to 3,279, of whom no fewer than 2,012 were receiving parochial relief,³ 1817 was of course a specially bad year Again, a Bocking witness states—

“The burdens of the parish (*i.e.* Bocking) are very great at present It has not entirely ceased to be a manufacturing parish, but it has declined considerably for the last twenty years, I think It has become agricultural, with a burthen of manufacturing poor upon it ‘Is there much of the wages of labour spent at the ale-house?’—‘I do not think it is a striking feature with us’ ”⁴

¹ *Ibid.*, p. 10 The quotation is from Burke, *Thoughts and Details on Scarcity*, Works, VII 377, ed 1852

² *Ibid.*, Minutes, pp. 125 f

³ *Ibid.*, Minutes, p. 83

⁴ *Ibid.*, Minutes, pp. 105 f

The Norwich manufacture, however, appears to have been in a flourishing state a few years later, as it was supposed that the wages to be earned in the factories by the women and children would be a help to the economy of the neighbouring agricultural labourers in their time of stress in 1822

“‘Is any material part of the population of your parish and your neighbourhood now employed in the city of Norwich?’ a Norfolk farmer was asked by the Committee on the Depressed State of Agriculture—‘Yes, many,’ he replied ‘What should you suppose would be the amount of the weekly wages of a child of twelve years old, tolerably expert in the weaving manufacture?’—‘From 10s to 12s per week I can instance one of thirteen, that earns 12s a week regularly.’”¹

This at a time when the wages of labouring men in the same county were in some instances as low as 9d or 1s. a day.² Women could earn about the same as children in the Norwich manufactures³ Work was put out, too, and done at home in the villages.⁴ If allowances lowered the wages of adult male labour, so, no doubt, did these opportunities of supplementary wage-earning The boom, however, did not apparently last long In 1830 it was spoken of as a thing past and over.

‘The trade in Norwich, a few years ago, was exceedingly flourishing, so much so, that the hands in Norwich could not do the work . The country parishes adopted the trade, but when the trade became slack, all the country parishes lost their trade, and in the village where I live, where there were ten looms that were at work four years ago, there is not one now’⁵

Even in the West Riding, which was drawing to itself the whole of this once widely diffused industry, the introduction of machinery meant loss of employment Moreover, it meant proletarianization and transition from village to town life. The Western Counties workers had long been wage-earners and although the company system appears to have lingered on late

¹ *Committee on Depressed State of Agriculture, 1822, Minutes, p 91*

² *Ibid*, pp 38 f

³ *Ibid*, p 91

⁴ *Lords Committee on the Poor Laws, 1830-1, Minutes, p 125*

⁵ *Ibid*

in the Eastern Counties, yet even while the company remained its poorer members were degenerating into wage-earners.¹ The West Riding was the classic case of the domestic system proper and serious rioting and organised opposition on several occasions marked the transition to factory industry.² The 1833 *Report on Child Labour* showed the very serious state of affairs which factory industry produced in this particular district "Many children were crippled for life, and young women were seriously injured by their occupations"³ Dodd, writing in 1841, describes a process of progressive "monopoly" still going on, each stage in the progress throwing new hands out of employment "and thus increasing the number of famishing poor, and swelling the already-glutted market of labour"⁴ Croppers (or shearers), for instance, when in work had earned, as he states, from 36s to 40s per week

"In 1814, there were 1733 croppers in Leeds, all in full employment, and now, since the introduction of machinery, the whole of the cloth manufactured in this town is dressed by a comparatively small number, chiefly boys, at from 5s to 8s (some working for 8s per week have a wife and two children), and a few men at from 10s to 14s per week. The old croppers have turned themselves to anything they can get to do, some acting as bailiffs, water-carriers, scavengers, or selling oranges, cakes, tapes and lace, gingerbread, blacking, etc."

Others, in spite of Poor Law Amendment Acts,⁵ were employed by the parish at 1s per day.⁶ So the Emigration Committee, in its second Report (1827) notes that "the transition from hand-loom to power-loom weaving" is severely felt in the West Riding, among other districts. Further suffering arose through the violent fluctuations of trade throughout the period. There were crises in 1793, 1797, 1809-10, 1815-17, 1820, and 1826, and then almost continuous "distress" (according to the table of cyclical movements in the *Report on the Poor Laws*, 1909, p. 328) up to

¹ Cunningham, I 511 f. James, *Hist Worsted Manuf*, pp. 263, 218

² Webb, *Hist TU*, pp. 34, 51. Cunningham, II pp. 661 f, 625 n, 663 n

³ Cunningham, II pp. 778, 780, and refs

⁴ Dodd, *op cit*, p. 5

⁵ The law had not as yet been generally applied to "the manufacturing districts" Mackay, *Hist PL*, p. 217

⁶ Dodd, *op cit*, pp. 14, 15

1842. Only three years of this period, viz those from 1834-6, are noted as "prosperous" It was not to be wondered at that, as Tweedy, the 1834 Assistant Commissioner for the West Riding, remarks—

"Upon the policy, as a general question, of withdrawing relief in every shape from the able-bodied, it is right to say that I find rate-payers in general averse to so strong a measure, even if it were confined in its operation to those yet to be born, on the ground of the fluctuations to which large bodies of the working classes are occasionally subject, from causes over which neither they nor their masters have any control"¹

The view of the Commissioners, of course, was that the men ought to save out of their earnings sufficient to meet these fluctuations But the rate of wages of adult male wool-combers in Bradford in 1833 is given in a Government return as 16s 2d weekly² The rate for weaving is not given for that year, but for 1827, when combers received 12s 8½d, weavers "from sixteen years and upwards" received 11s 1d³ Be it remembered that the range of prices of necessaries was on the whole higher then than it is now

In the Midlands there was the hard case of the framework knitters, or stockings, which was serious enough to occasion special Parliamentary inquiries in 1812, 1819, and 1845, which produced the famous Luddite riots, and which Dr Cunningham considers as a pure example of the evils of unregulated competition, there being no question of the introduction of machinery or the like, but only of an alteration of spirit and of the abolition, in the teeth of the workers' protests, of the old system of regulation⁴ The result was, he says, that "the whole family were occupied for very long hours and at starvation wages" Arnold Toynbee's graphic description of the deterioration in the condition of these workers in the course of the century 1750 to 1850 will be remembered⁵ This state of affairs was duly

¹ *Report of 1834, Appendix A, p 733*

² C 5172, 1887, p 20

³ *Ibid*, p 17

⁴ Cunningham, *op cit*, pp 662-7

⁵ *Industrial Revolution*, p 208 (ed 1908)

reported by the Assistant Commissioner for the district, but it receives, as usual, no recognition in the Report of 1834. The Assistant Commissioners write of Hinckley, in Leicestershire, that—

“The wages of the manufacturing people were necessarily so low, that from the most laborious exertions they could hardly procure a subsistence, between 6s and 7s being the extreme weekly earnings of an industrious man, and he must work fourteen hours a day to get that sum. Mr May, a master manufacturer, stated that he had known the time when a stockinger could earn £1 per week.”¹

Turning now from the woollen to the cotton trade, it seems to be not uncommonly supposed that Lancashire at least flourished exceedingly in this revolutionary period. It was certainly depended on by the Commissioners to absorb a considerable quantity of the “surplus population” of the agricultural districts. But Lancashire was during these years the scene of the most extreme fluctuations in trade, the demand for labour there was “not mainly for adult men, but for children, and to a less extent for women,”² (in 1833, out of 49,553 persons employed in the principal cotton towns, only 13,715 were men over eighteen years of age, or less than a quarter of the total),³ and above all, here was the great seat of what has been well called “the heart-rending struggle of the handloom weavers against the power-loom,” “the long tragedy of the handloom weavers.”

Dr Cunningham's account may be condensed here. The cotton trade increased by leaps and bounds up to 1810. The imports of cotton wool were—

	lbs
1781-85 an average of	10,941,934
1786-90 ” ”	25,443,270
1800 ” ” . .	56,010,732
1810 ” ”	136,488,935

But “after this year there was a remarkable drop (as low as 50,966,000 in 1813), and matters did not mend till after the

¹ *Extracts*, 1833, p 180

² Report of J P Kay, M D, on the “Migration of Labourers,” in *First Annual Report of P L Commissioners*, 1835

³ *Labour Statistics*, C 5172, 1887, p 10

close of the war " ¹ Up to this period (1815) the weavers were fairly successful, so far as retaining the bulk of the employment went, in their competition with the power-looms. In 1815, there were only some 3000 of the latter throughout the country ² At the beginning of the period of expansion great numbers of workers were drawn into the trade, while yet the demand was so great that wages rose greatly. Radcliffe, the historian of the movement, says that they rose in some cases to five times their former rate, "every family bringing home weekly 40, 60, 80, 100, or even 120 shillings." But as the competition of new labour on the one hand, and the power-loom on the other, made itself felt, in the conditions generated by speculation on the part of employers and the fluctuating market due to war conditions, "the wages paid in the over-crowded trade fell to lower and lower rates. In 1808 the cotton weavers seem to have worked for about a half of the wages they had received eight years before, and the depression continued to get worse and worse " and "fluctuation was a worse evil than the lowness of the rate." It took place to the extent of 30 per cent. in the course of a single month! Matters were so bad in 1808 that a Minimum Wage Bill was introduced into Parliament "in compliance with the wishes of the cotton weavers, backed with the consent of their employers." But Parliament, then in the full swing of doctrinaire *laissez faire*, declined to sanction any such interference with individual liberty. Foiled in their attempt to get special legislation, the weavers appealed, in 1812, to Quarter Sessions for action under the Elizabethan statute. The only result was the hasty repeal by Parliament of the Wages Assessment Clauses. Yet the Bolton weavers' petition states that—

"the average wages of cotton weavers do not exceed 5s per week and that the extravagant prices of provisions of all kinds render it impossible for the petitioners to procure food for themselves and families. The present Bill (for the repeal of the clauses)

¹ Cunningham, p. 624, n. 4

² Meredith, *Economic History*, p. 246

of the Salford and Blackburn hundreds, which comprise three-fifths, has sunk the spirits of the petitioners beyond description, having no hope left”¹

The cotton trade, of course, suffered with the rest of the country in the depressions of 1815-17, and 1819-20 “Peterloo” was a Manchester phenomenon Of the spirit expressed by it, Francis Place writes—

“These Manchester yeomen and magistrates . have always treated the working people in a most abominable manner I know one of these fellows who swears, ‘Damn his eyes, 7s a week is plenty for them’, that when he goes round to see how much work his weavers have in their looms, he takes a well-fed dog with him, almost, if not entirely, for the purpose of insulting them by the contrast He said some time ago that ‘The sons of bitches had eaten up all the stinging nettles for ten miles round Manchester, and now they had no greens to their broth’ Upon my expressing indignation, he said, ‘Damn their eyes, what need you care about them? How could I sell you goods so cheap if I cared anything about them?’”²

But the first five years of the twenties were years of trade prosperity Only now the power-loom was definitely gaining ground, 30,000 being in use by 1825, as against 250,000 hand-loom “Nine years later the power-loom numbered 100,000, and the condition of the handloom weavers was desperate”³ The Emigration Committee of the House of Commons reported that “the transition from handloom to power-loom weaving,” together with the industrial depression of 1826 and onwards, notoriously produced in the cotton districts “a state of distress bordering upon actual famine” Some “have lingered on, till found accidentally, as has been proved in evidence, in the last stages of misery and disease”⁴ To the Commissioners of 1834, Henderson reported as follows—

“The poor rates have been greatly augmented by the transition from hand to power-loom weaving This vicissitude affects the whole

¹ Cunningham, pp 632-8

² Wallas, *Life of Place*, p 141

³ Meredith, *op cit*, pp 246-7

⁴ *Second Report from the Select Committee on Emigration*, 1827, pp 3 ff

of the population of the county, and is partially felt in the other hundreds. The country places in the neighbourhood of Blackburn suffer more than the manufacturing towns, where the various demands for labour enabled many weavers to choose other occupations, and the power-looms coming into extensive use, *by giving employment to their children*, alleviate, in a great degree, the evils they had occasioned."

Be it remembered what sort of employment it was which was thus offered to the children, as was being proved by the Factory Commission of the very year in which Henderson wrote (1833). One of the principal conclusions of the Report, says the authoritative *History of Factory Legislation*, was that the result of child labour "was in many cases physical deterioration and partial or total deprivation of education"¹

"The day after my arrival in Bolton," writes William Dodd, himself "a factory cripple," "I met a cripple waddling along in a strange manner. He told me his history as follows: 'Jonathan Oddson, went to work in the cotton factory at eleven years of age [By twenty-eight he] was done up, past all work. His legs are very much deformed. His knees, which are both turned in, almost wrap over each other. In the act of walking, he has to move the centre of gravity from side to side, and balance himself like a rope-dancer. He has nothing to depend upon but little jobs which he gets to do for the market people. He cannot read or write his own name, can scarcely count to twenty, does not know his age, the days of the month or the year of our Lord, the long hours of labour have crippled both his body and mind.'"²

Thus was the unemployment of the weavers "alleviated." But to return to Henderson's account of them.

"The country weavers have no such resources, and their weaving being frequently of the commonest and coarsest description, the rate of their earnings is more reduced. Thus in the neighbourhood of Burnley, an average handloom weaver cannot at present earn above 4s 6d a week, although a Manchester or Preston man may earn 6s or 7s weekly. *The depression of wages, and the difficulty of obtaining employment*, especially for the older weavers, whose habits were fixed, *has led to a general practice in the weaving districts of making an allowance to able-bodied weavers* with more than two children under ten years of age. [*Sic*! They were expected to keep

¹ Hutchins and Harrison, p. 35

² Dodd, *The Factory System*, pp. 72-73

themselves and two children on 4s 6d weekly] The weavers thus receiving parochial relief are usually in a state of great destitution, their houses bare of furniture, their children half clad, the weavers themselves usually have a lean and hungry look, and frequently assert that they do not get victuals enough. They are perfectly aware of the hopeless condition of their employment, and are extremely patient under the privations they undergo”¹

Henderson also quotes from a report, carefully prepared for the Preston Board of Health in 1831, by James Harrison, surgeon. The report was based on personal visitation of 243 families. Harrison found that weavers’ families, after expenses were deducted and rent and taxes paid (direct taxes were 3d a week), had 5s 2½d a week left for food and clothing, the families averaging 4.6 individuals. This 5s 2½d included the parish allowance. Fifty-eight of the poorest families had only about 1d per head per day for food and clothing. “This statement,” Henderson remarks, “proves the necessity of relief.”² Again, no reference whatever to this evidence in the Report of 1834.

It may also be suggested, though in this case there does not seem to be evidence to support the *a priori* conclusion, that the notorious pauperization of Sussex was partly due to its loss of the iron trade during the first half of the eighteenth century. There is certainly evidence that it suffered from the loss of another industry, thus referred to by a churchwarden of the parish of Lenham before the Assistant Commissioners of 1832: “Smuggling, since the establishment of the preventive service, is much diminished” throughout East Sussex, and this “has had the effect of increasing the poor rates, or, as was expressed by an overseer, ‘the putting down of smuggling is the ruin of the coast’ ”³

So far, then, we have seen something of the effects on the industrial population of that extraordinary period of swift and bewildering transition which we well name the Industrial Revolution. In a second article the conditions of the agricultural districts will be considered.

RUTH KENYON

¹ Report of 1834, Appendix A, p. 909

² Extracts, 1833, pp. 341 f

THE TAXATION OF SALT IN INDIA

SALT has always been a popular object for taxation, but the methods of collection have varied with time and place. The production of salt was a State monopoly under the Roman Empire, and a similar plan was in force in Prussia until 1867, when the monopoly was replaced by a duty. In Italy, Austria, and Hungary the monopoly system still holds. The English salt duty was abolished in 1825, but salt is still taxed in France. In India the history of the tax is complicated, owing partly to the political divisions of the past, and partly to geographical causes affecting the methods of production. In the Presidencies of Bombay and Madras, for instance, salt may be obtained with ease and in abundance by the evaporation of sea-water. Northern India, again, is well supplied from the salt lakes of Rajputana and the mines of the Punjab. In Bengal, however, owing to the extreme dampness of the climate and the quantity of fresh water which is poured into the sea by its great rivers, salt can only with difficulty be obtained from the sea, the inland sources also are inferior, so Bengal should naturally depend upon imported salt.

It is not proposed to trace here the varying forms assumed by the salt tax in different parts of India. Suffice it to say that the systems existing under native rule were taken over in their original form by the East India Company, and subsequently modified to suit the prevailing official views of equity and convenience. But the extraordinary development which took place in Northern India is worthy of more detailed description.

The East India Company, on obtaining possession of the "Doab"—that is the country between the Ganges and the Jumna—found there a Government monopoly of the manufacture and wholesale trade in salt. They also found in

existence the pernicious system of "sayer," whereby transit dues were levied on merchandise which happened to pass any of the collecting posts established on the principal trade routes of the country. These collecting posts were at first scattered throughout the country, but, under English rule, they were concentrated on the frontier of the new territory, and became in effect a line of Custom-houses supported by Custom "chokis," or posts to prevent smuggling. By payment of a consolidated fee at a Custom-house a pass could be obtained which covered the goods as far as their declared destination. No goods were allowed to go by a custom-post without a pass, but no duty was legally leviable at the post. In fact, however, the inspection of passes at these posts provided numerous opportunities for extortion, and the hindrance to trade may be imagined when it is stated that "a boat starting with merchandise for Calcutta from the Upper Doab was obliged to bring up for examination at ten Custom-houses (to say nothing of attached chokis) from Farrukhabad downwards."

In the mean time the Government monopoly of the manufacture and wholesale trade in salt had been abandoned, and salt was now taxed just as were other articles, that is by duties levied at the frontier, and its manufacture within the frontier was either prohibited or carried on under a system of excise. In 1833 the schedule of import (or export) duties levied at the frontier included two hundred and thirty-five separate articles, but ten years later all duties were abolished, except those on sugar, cotton, and salt—a change which was accompanied by a large growth of revenue. The duty on cotton was abolished in 1855, leaving only the import duty on salt and the export duty on sugar.

As the Company's possessions in Northern India expanded, the preventive line was extended to protect the new territories, and the Department of Inland Customs, by which the duties of the "line" were carried out, became a vast and important organization.

"Consignments of salt and sugar were liable to examination on entering the jurisdiction of the line, which was from ten to fifteen

miles in width, and were actually examined at the chokis open to trade. The line was about 2500 miles in length, and was in many places a thick thorny hedge, impassable by man or beast, with a high-road alongside it. On this road peons on guard duty were posted at night at regular intervals, the distance between the guards in the upper and more important portion of the line being about a quarter of a mile. Messages could be sent up and down the line by human voice, the guards and guard-posts were regularly patrolled and inspected, and the plains and fields on either side of the hedge or barrier were examined every morning for the tracks of head-load smugglers."

Those unacquainted with Indian history may better realize the true character of the salt line at this period if we imagine a parallel case applied to England. Suppose that in the troubles of the thirteenth century the Counts Palatine of Chester and Durham had freed themselves entirely from the control of the Kings of England, and had formed their border marches into independent states. Suppose, then, that the Kings of England had set up a customs line stretching from Bristol to Hull in order to tax salt produced in Cheshire, that they had subsequently obtained control over all northern England except Cheshire and Durham, but still imposed a duty on all salt crossing the customs line from north to south whatever its origin or destination. Such was the salt line of India. With every new addition to British territories this vast octroi became more anomalous. The Inland Customs line was but a survival and a very pernicious survival. Even in its most improved form it was a great hindrance to trade and provided many opportunities for extortion. The duties on salt were very unequal, and the inhabitants of Northern India, and especially of Oudh, were generally understood to be suffering from the dearness and scarcity of salt. Financial exigencies, however, would not admit of the abandonment of salt as an object of taxation. At the same time the chief sources of salt lay in the semi-independent States of Rajputana, outside the control of the Indian Government, who were thus precluded from establishing a system of excise. Under the then existing circumstances, if salt was to be taxed at all, it had to be taxed on its passage

across the "line." About 1856, however, the idea of gaining control of the sources of supply in the Native States began to be mooted, but Departmental opinion, as is usual in such cases, was reactionary, and the idea was rejected as unfeasible by the Customs officers of the time. One of them wrote "It has long been an axiom with the department that no person who has not worked at the details of a Customs line can legislate for it." Fortunately the "axioms" of the department proved powerless to stem the tide of reform, and in 1870 the Government of India entered into negotiations with the Rulers of Rajputana, by which they obtained a lease of the great salt lake of Sambhar. Subsequently further agreements were made with other Native Chiefs of Rajputana and Central India, whereby the sources of salt which lay within their respective territories were handed over to British control. By these measures large portions of the line were rendered useless and were accordingly abandoned. Finally, in 1878, it was possible to declare Rs 2½ per maund¹ to be the duty on salt throughout the greater part of India, and in 1879 the last remnants of the great Salt Line were entirely abolished.

Having thus described the history of the salt tax, I may go on to discuss its present position and future prospects. Although the duty on salt was (speaking generally) equalized over the whole of India in 1878, yet the methods of collection still vary from province to province. In Northern India the production of salt is a Government monopoly, in Bombay and Madras salt is chiefly extracted by private producers under a system of excise, Bengal is supplied mainly with salt imported from Europe. Roughly speaking, two-thirds of the salt consumed in India is home-made, whilst the other third is imported, chiefly from England and Germany. At one time England practically monopolized the supply, but a combination amongst English producers, raising prices, gave to their German rivals the opportunity to gain an entrance into the Indian market—an opportunity which was promptly seized.

The place which the income tax holds in English finance is

¹ 1 Maund = 80 lbs

taken in India by the salt duty, it is the main factor of elasticity in the Budget. Under Lord Ripon's peaceful rule the tax was lowered from Rs $2\frac{1}{2}$ to Rs. 2 per maund, in 1888, to meet the strain imposed by the Burma war, it was again raised to Rs $2\frac{1}{2}$, and continued at that level throughout the years of falling exchange and famine. Finally, a series of favourable years enabled the Financial Member to reduce the duty to Rs 2 in 1903, to Rs $1\frac{1}{2}$ in 1905, and to Rs 1 in 1907. But in spite of, or perhaps partly because of, its important position as a financial resource the salt duty has been assailed with much vigour, and repeated proposals have been made for its abolition. It has been subjected to considerable criticism on the ground that it is a tax on a necessary article of food consumed in approximately equal quantities by all persons, whether rich or poor, and that therefore it is in the nature of a poll-tax. While admitting the facts on which this criticism is based, it must be remembered that the equity of a tax cannot be pronounced upon except in relation to the whole system of which it forms a part. To maintain a poll-tax as the principal source of revenue from taxation would be obviously unjust, but, on the other hand, to include a poll-tax as an item in the fiscal system may be both wise and equitable as being the most convenient method by which the poorer classes may be compelled to contribute towards the needs of the State. If it could be shown that the labouring classes of India pay more than their just proportion of the total burden of taxation, the case for the abolition of the salt-tax would be a good one. Unfortunately the ultimate incidence of taxation is a problem difficult of solution under any circumstances, but which is specially difficult in the case of India, where a preliminary investigation has to be made into the nature of the Land Revenue in order to decide whether that revenue is essentially a tax or a rent-charge. The importance of this consideration may be realized when we are informed that the revenue derived from land amounts to Rs 1438 per head, whilst that derived from taxation proper amounts to Rs 1625.

Another question which has given rise to much controversy

has regard to the deprivatory character of the salt-tax. Does it, that is to say, take much more from the people than it brings into the Exchequer? Does it cause a great loss of consumers' rent? The opinions of experts show the greatest divergence upon this point. On the one hand are those who state that the tax does not press with appreciable severity on the people, and that a reduction is more likely to benefit the middleman than the consumer. It has even been maintained that if the tax were entirely abolished the consumer might have to pay more for his salt than he does now, for in the United Kingdom, where salt is not taxed, the retail price is often a penny a pound, a price higher than that paid in any part of India. On the other hand are those who say that the tax is a considerable check upon consumption, and who point to the great increase of consumption which has followed the recent reductions of duty. The following table was given in the Indian Financial Statement for 1908-9 —

Year	Issues of salt in lakhs of maunds	Increase + or decrease — as compared with previous years	Duty in rupees
1898-99	355	+10	2½
1899-00	352	-3	
1900-01	362	+10	
1901-02	360	-2	
1902-03	369	+9	
1903-04	376	+7	2
1904-05	394	+18	
1905-06	407	+13	1½
1906-07	431	+24	
1907-08	443	+12	1

To the objection that an increase of consumption is due to the same wave of prosperity which has rendered possible a reduction of the duty, it may be replied that in Burma, where the duty has long been Rs 1 per maund, the consumption was about seventeen maunds per head, as compared with about ten maunds per head in India proper, where the duty before 1903 had been levied at the rate of Rs 2½.

Without attempting to adjudicate between these conflicting opinions it is possible to adduce reasons, of a nature purely

financial, which weigh strongly against the entire abolition of the salt tax. No doubt the present system is a great hindrance to the development of the trade, but, even at the present time, concessions are made in the case of salt used for manufactures, and it therefore does not seem likely that the release of the trade from all restrictions would be followed, as it was in England, by a great development of chemical industries.

As already stated, the salt tax is the main factor of elasticity in the Indian Budget, it is an ever-present resource for times of distress, a resource which must not be lightly thrown aside, for a tax of this sort is not one which can be abolished in one year and revived in the next. It must be remembered that the manufacture of salt in the Punjab, the United Provinces, and the Central Provinces, is a Government monopoly, and that a large department is maintained to supervise the manufacture and to suppress production by private persons. If the tax were abolished and the trade thrown open, the production of salt on a small scale would, in all probability, be undertaken by thousands of persons scattered throughout the country, and under such circumstances, the revival of the tax and the consequent re-organization of the Salt Department would cause an amount of hardship which would far outweigh the benefits conferred by the temporary remission of the tax. Apart from the discontent caused by the renewal of restrictive measures, the re-imposition of a tax which had once been entirely done away with would be much more unpopular than the enhancement of a tax still in existence.

A further difficulty would arise in regard to our relations with the Native States. Under the agreements by which the Indian Government obtained control of the salt lakes which lay within the borders of the States of Rajputana, the manufacturers and others connected with the salt trade were given liberal compensation for the loss of their former livelihood, and the Native Rulers also were compensated for their loss of revenue. If the salt duty were to be abolished, the Government could hardly continue to manufacture for the open market. The agreements made with the Native States, therefore, would

have to be terminated or revised, and if, at any future date, it became necessary to re-impose a tax upon salt, the delicate operation of renewing these agreements would have to be undertaken. In view of these considerations it is obvious that the salt tax, if it is to be given up at all, should be given up for ever. Is it then possible or probable that the Indian Government could permanently dispense with the 37 millions sterling which they obtain annually from this source?

Since the beginning of the twentieth century the Finance Minister has presented a series of statements which show a remarkably strong financial position, in spite of the fact that India has suffered considerably from famine during this period. But at the same time it must be remembered that by their agreement with the Government of China the Indian Government are pledged to reduce the opium exports by one-tenth annually, provided that the Chinese authorities are able to reduce the consumption and cultivation in China by a similar amount. If the Chinese are sincere in their protestations and effective in their preventive measures, this agreement will mean a loss to India of about four millions sterling, a loss sufficiently great to leave little hope for the abolition of the salt duty. If, on the other hand, the Chinese are incapable of carrying out their promises, the opium revenue will be saved, and the salt tax will probably be abolished. Thus the abandonment of the opium revenue seems to imply the retention of the salt duty. A tax drawn largely from foreigners is given up, and the burden on the Indian tax-payer has to be retained. But on closer examination this alternative will not appear to be an unmixed evil, even from a purely financial standpoint. The revenue from opium, like that from all other quasi-monopolies, is capricious and inelastic. The revenue from salt is stable and elastic, the most elastic of all the Indian revenues. It is a very important item in the Indian Budget, and its retention will perhaps be not too dearly bought, even at the price of losing the opium revenue.

D A BARKER.

INDIAN LAND TENURE AND THE MANOR

I

IT is probable that the Mogul Empire in India, during its flourishing epoch, approached closely the ideal type of centralized government, it was certainly nearer to this than any government that had as yet arisen in Asia. In its decline it dwindled into the loosest tie of a nominal suzerainty. It was the victim of servants and lieutenants just as the Carolingian monarchy a thousand years before. But even in its decay it retained the features and methods of a homogeneous administration, and those critics are mistaken who see in India merely an incoherent congeries of different races and different creeds. Official phrases, official systems, survive to-day in the empire which displaced the Mogul dominion, sufficient witness to the vigour and tenacity of these institutions, and to the uniformity extended over the great peninsula. If government has tended to a general resemblance, so have racial origins and customs. The priestly caste established a social and religious routine which dominates to-day, and defies the externalism of politics. Life and belief are still much what they were three thousand years ago. There is the same Egyptian sanctity of the hieratic caste, the same honour to the warrior's profession, only second in rank. Besides the original natives, we find the Aryan settlers of a mythical age, the somewhat more democratic visitors, who appeared in later times (like the Teutons in the Roman Empire), lastly, the dynastic and traditional remnants of the Mahometan or Mogul supremacy. Such are the chief features of an India which, at the present time undergoing a constant process of secret change, will not long remain the subject of leisurely and academic study, but of feverish interest and judgments varying from day to day.

Universal throughout India, it may be said, are (1) the village community, as the unit of social life, (2) the overlordship of the State, *dominium emmens*, and I desire to trace the analogy with Western theory or practice. The village land is cultivated by those who are believed (even by a polite fiction) to have occupied it from time immemorial. No sovereign allotted land to these original tenants, their right is antecedent to any royal grant. The free sale of such land is a modern innovation, which cuts at the root of ancient custom and prejudice. The territory belongs to the corporate body of kinsmen, to the undying family group, not to any isolated unit with wide personal and arbitrary powers. Not that this belief excludes private property, quite the contrary. Only the superficial observer can see in it a justification for pure communism, which, so far as we know, was unknown in the earliest days of which we have record. To occupy this land was an ancestral privilege belonging to the family (of which the chief member was but the representative), and it was in consequence a duty. Permanent alienation was either inconceivable or seriously condemned. Like the human life to the Roman philosopher Lucretius, land was given to all *usu*, to none *mancipio*. Sale or exchange was controlled by customary conditions, and, as in the Hebrew year of jubilee, all contemplated a return to the original proprietors, just as cosmic speculation in classical times believed in the *magnus annus* and the restitution of all things to a primitive state.

With this sacred and semi-communal system, the village as unit of domestic and religious life and government, went everywhere an overlordship comparable to the European manor and its lord. There has always prevailed the clearest distinction between those who own and cultivate an area, and those who have a certain right to levy rent or dues therefrom. It has been well said that the Indian village, like Western manor, was rather a "tributary republic" than integral member of a unitary state. The specializing tendency, in India crystallizing into caste, marks out sharply the priest, the warrior, and the farmer. Their duties, functions, and moral ideals are distinct. Liberty

is secured just because society is wisely founded upon an original inequality. The feudal system (of which we delineated the origin and features in the last article) bore wide sway. The overlord, or protecting patron, laid no claim to ownership, but was a chief who could defend (and coerce), a robber who took blackmail, or a representative of a distant power. It is notorious that the two first qualifications are often confused, the robber-knight of Germany will instantly occur as a parallel, settling down into a respectable and responsible guardianship. The Grimaldis of Monaco can trace back their ancient family to the corsairs of the Mediterranean.

One circumstance prevented this protective system of overlordship from developing into Western or Japanese feudalism. The democratic creed and (strangely enough) practice of Islam would not tolerate the hereditary principle. The Mogul Empire did its best to sweep away the patrimonial idea of office and replace the lord by the State official, just as in democratic countries to-day an effort is made to supplant ancient families, with complementary duties and rights, by bureaucrats, venal and meanly paid in Russia or China, well endowed and perhaps more honest in other lands. It is needless to say that this Mahometan individualism and State supremacy was entirely alien to the temper and tradition of the peninsula. The people even at the present time have not reached that pitch of self-consciousness, which allows a man to think of himself apart from his family, his forefathers and descendants. The hereditary principle, disclaimed in Europe by idealists and "solitarians," is the very basis of Indian society. It has fought bravely against the Mogul atomism which broke up the groups and undying series into single units, the more easily to establish a despotism over a uniform level. We shall have occasion to note many instances of its stubborn survival, office becomes hereditary, and the son, already partner in his father's business, succeeds to a certain right, or (more generally) the eldest and most competent is selected out of the privileged family group. Still the peculiar temper and spirit of Western feudalism is absent, and except perhaps in Rajputana, the independence and sense of

honour or personal duty is tempered by the safer (yet less noble) demeanour of a delegate and an official.

II

Over a large part of India certain men, half-squires, half-functionaries, were found enjoying the right to collect dues from certain districts. It is to be feared that we brought our Western notions of landlord's ownership into a region where it was strictly inconceivable. We have confused rent and dues, contracted payments for use of certain land with tribute, paid to protector or State emissary. There has been an inevitable tendency, and on our part a deliberate policy, to regularize the position of these rent-holders or due-collectors, and make them valid, legal, and permanent. We have gradually divested them of duties corresponding to the privileges they enjoy. Clearly, however diverse the motive of these charges, they were originally saddled with explicit conditions. Blackmail is paid to a neighbouring brigand, who develops into a penitent patron, or a patron is chosen in troublous times, and the land surrendered (as in the West) by a convenient fiction and received in fief, or again, a king, consolidating his realm, appoints a march-warden to defend and judge or extend culture. All these origins are familiar in the West, they are no less frequent and convincing in India. The payments made were not rent for a loan of ground or (in the first instance) for use of stock or implements, but tribute, or quit-rent, or justice-dues and manorial fees. How, then, is it that we have mistaken these acknowledgments and profits of suzerainty for rentals? Because the Governments of the East have by degrees raised the sum demanded, until it bears far more analogy to yearly rack-rent than to a fixed quit-rent in acknowledgment of personal dependence.

Are these receipts revenue or rent? Without a doubt, revenue. There is not the smallest evidence that the State claimed absolute ownership in the soil, though, owing to the large proportion of the profits collected, the western administrator

may well be pardoned if he mistakes it for rent. Such dues may take the form of our tithes (until recent years), a portion, one-eighth or one-tenth, of the actual produce. This moderate sum is swelled in later times in the usual fashion of taxation, and it became so large as to amount to an ordinary rental. The communities paid this heavy charge without in any way resigning their exclusive claim to ownership, nor did any Government demand that they should do so. If a tax is as high as an average rental (which may soon be the case in England) it cannot be wondered at if men come to believe the collector to be actual (indeed the sole) owner. The State then comes, without any overt pretensions on its part, to pose as superior proprietor. And if the central government is weak, its lieutenants are strong, and usurp both the rights of the absentee State and many of the rights of the real proprietors. They conveniently forget that such dues were left in their hands, either in whole or in part, for the discharge of certain functions, police and jurisdiction, a grant made under express covenant, revocable (like office under the Roman Empire), or in certain cases a reward for some service, yet carrying with it fixed privileges which were in fact onerous responsibilities.

We have swept away the conditions annexed to these charges, and transformed bailiffs, or *procuratores fisci*, into petty sovereigns of revenue-free estates, unhampered by duties. We have made of revocable posts, permanent grants. Money due to a somewhat exacting State we have made over to individuals who had no claim, and a class of Irish landlords is created, mere rentcharge-receivers, intercepting for their own benefit money either due to the State for the due discharge of its covenants with the subject class, or to the poor cultivator who had for long paid excessively. Thus lands held for specific trusts have evaded all obligation.

Two parallels in the history of our own country will make the case clear. The parochial tithes were often appropriated to the use of monasteries on condition of supplying fully the spiritual needs of the parish. The church was served by a member of the community who occupied a priest's chamber or

parvise during his visit. There was often no permanent appointment made (donatives), and the freehold of the benefice and all rights over yard and fabric rested with the religious house. When monastic property was confiscated, these tithes and the full rights were made over to laymen, and it is the fashion to confine the word "impropriate" to this event. With them rested the same power, the same responsibilities. Either a vicar was named with a certain fixed proportion of the tithe, or the lesser tithes in full, or the duty was done, the impropiator making what arrangements were needful for spiritual care and the maintenance of fabric. But in the former case, no further responsibility attached to the tithe-right after payment or cession of the smaller tithes, and the spiritual endowment becomes mere lay-freehold, to be bought and sold in the open market, with the sole duty of keeping the chancel in repair. While in the latter case (donatives) the right of nominating to the curacy or chaplaincy has often been sold away from the tithe impropriation, and the impropiator is in no way bound towards the church or parish. Such cases are familiar to any one who knows the secret history of donative and immune or exempt benefices, about which the greatest ignorance prevails even in professional circles.

Another instance of this evasion of earlier duties, and the transition from the stipend of office to pure freehold, is supplied by the change from clan-chieftain to sole landed proprietor, especially in Scotland during the eighteenth century. Here, divested of all the heavy duties of purveyor, judge and war leader, was created by the policy of the British Government, a private benefice and freehold.

To return to our Indian village, there existed in every mind a clear distinction between the collection of customary dues or rents, however secured, and the management and culture of the area in question. Neither the State nor the individual representing it interfered with the soil or its allocation to its cultivators. It did not claim to let to the highest bidder, and it certainly was not continually adapting the "high rent" to the depression or prosperity of the district. There was no desire

to oust the actual occupiers, who were left in peaceful possession. The charge was no doubt a very full demand, and obscured the proprietary right of the village corporation. But in practical life these tyrannical impositions have a way of settling into very tolerable charges. Apparently no attempt was made to chain the peasants to the soil, and by preventing escape (as with the unhappy Curials of the later Roman Empire) to coerce them into paying exorbitant and arbitrary sums. The genuine democracy of Islam, and the equality which formed the necessary basis of Mogul sovereignty, were entirely on the side of the poor against capricious oppression. As we saw, in its best days it aimed, like the Roman Empire, at equitable laws and social administration, it repressed class tyranny, made all officials servants of the State, and while it was able to supervise effectively, certainly "saved from many masters." Secure in the immemorial laws and customs of caste routine, happily ruled by no religious partisan, but an impartial and (it was whispered) sceptical alien, the ordinary man enjoyed a great amount of individual liberty, for which the citizen of a free republic must often sigh in vain.

Not seldom the general provision for collecting these tithes must excite the admiration of the political economist. The *fixed* proportion was suited to the different character of the crops. There was no senseless and rigid uniformity. Lands reclaimed by artificial irrigation paid less, because human skill and private enterprise had been exerted, the value, according to modern view, had not been created by the community. Sugar-cane, as in our Tithe Rent-charge redemption, paid in money, not kind, and corn or rice crops would return from $\frac{1}{3}$ to $\frac{1}{4}$ the total yield, though the commonest rates were from $\frac{1}{3}$ to $\frac{2}{3}$. This would correspond fairly enough with the division between landlord and tenant in English agriculture, the latter, expecting to clear £2 per acre, would pay £1. It is believed that personal service (*corvées*, ἀγγαρῆα) was unknown, in the strict sense, though cases are not wanting where a village would send a body of unpaid labourers to the Rajah by agreement. In sum, these charges were on an exact scale of rates, and if not

eternally fixed like our manorial quit-rents, were traditionally certain, and not open to capricious amendment or increase. Still, as in western feudalism, it cannot be denied that under various euphemisms, other extortionate impositions crept in and gradually assumed the air of customary and regular levies. Raised to meet an exceptional crisis, they continued after the need had passed away, just as the income-tax increase in war-time tends to become a permanent burden. The court expenses of the ranee or the marriage ceremony of the eldest son became, as with us, an excuse for a special requisition, and these dues, cesses, fines, or benevolences were apt to become part and parcel of the earlier quit-rent.

III.

The life of the Indian village community has been made familiar to us by the research of students and the actual experience of our civilians. It has municipal life and local self-government, and is so far a community, but its institutions are not communistic. Only waste and grazing land is held in common, there is, and has been from the earliest times, individual and private right over cultivated land. The general body or its authorities has power over the corporators, so far as to coerce the idle, prevent land lapsing into jungle through neglect, and amerce those who were in arrears with their dues. It is clear that a Byzantine village, say in the tenth century, possessed a similar corporate life and certain means of enforcing conditions on all its members. A further analogy, in a very different sphere, may perhaps be found in the relation of a college to its university.

It is abundantly clear that real or fictitious kinship constituted the base of social life and the chief condition of membership. The primitive democratic features are best seen in Jat villages in the Punjab, whereas cohesion and solidarity have disappeared in Lower Bengal and Cashmir, the village of the Deccan (it has been said) belongs to a degraded type. In the former and more genuine class, the occupants are free kinsmen

of a single caste, each man possessing a share (by no means uniform or equal in extent) in the area of the soil, all deeming themselves proprietors with equal rights. Government lies in a gerontocracy or council of elders, and below the freemen is the non-proprietary class, servile holders or settlers like metics at Athens or plebeians at Rome, the former have land allotted to them as with the slaves among the Germans (Tac *Germ.* § 25), the latter have in some way obtained land in their own right and pay the usual dues. Neither class have any share in the administration. We can thus behold to-day a striking parallel to ancient Rome before the struggle of the orders, and the disappearance of the nobility of birth and religious tradition before the plutocrat alien.

Such is the ideal and normal pattern, no doubt modified forms are frequently found (*παρεκβάσεις* of the true type). Famine lays a district waste, and the ancient occupiers vanish from the scene, or linger as needy and genteel survivals in the middle of new tenants. The casual seizer of land continues to enjoy, without title or explicit right other than that of actual possession. It is noted that the reduced gentry claim a certain precedence and rank among the thriving new-comers, like the *petite noblesse* in old France, but never seem to occupy the relation of landlord to tenant. As in the decaying times of Hellenic and Roman feudalism, it is from their ranks that the headman is chosen and they often enjoy certain dues. It is difficult to find a trace of any lease of the old village-land by these needy gentry: the dues they received is the proportion of the collection due to government, which forms the stipend of the overseer or headman. In our parishes it is the *assistant* overseer who is paid, the notion not yet being extinct among us of gratuitous service as a duty of each inhabitant qualified to give it.

The headman in democratic communities was "freely elected" like a mediæval king, that is, there was a choice within a strictly limited area, tradition and custom marking out a candidate rather for public approval than for selection. This president of the community (*Mokaddum* in north and east, *Potail* in west and centre, *Gauda* in south) was there in a

double capacity, he represented the semi-autonomous village to the central government, the central government to the village. He resembles in some degree a member of parliament in the old days, when he was rather a hostage for the payment of supplies than a member of the government. The office tended to become permanent in a single family, by that natural bias of human nature, against which the ignorance of modern idealism makes such futile protest. It was the general consent, not the private ambition of a powerful family, that allowed the chief office to descend from father to son, just as throughout the annals of the Roman Empire it was always the people and the armies who favoured and enforced the claims of the "purple-born" heirs. Still, the office was an "appanage" rather of the impersonal and undying family than of the eldest heir. It was not primogeniture that, in theory, prevailed, though practice generally settled into this. It was in principle the rule of succession among the Ottoman Turks, by which the right passes to the most senior and, presumably, the most apt of the dynasty. An accountant held subordinate duties on a very similar tenure.

For a century preceding British occupation, the pervading sense of insecurity had reached even the tranquil level of village life, as a rule little troubled by a political turmoil merely skimming the surface of agricultural and religious calm. The casual settler possessed no rights, as the Roman plebeian had no religion. The ryots settled permanently (*khoodkasht*) gave pledges, entered into obligations, and were accepted as genuine members. They received the peculiar names of "house-tied" and "hereditary." But the temporary sojourner (like our own villager to-day mentioned in our last article) was *pyekasht*. He might come and go at pleasure, and he had no duties because he had no rights. The moral sense of the community favoured security of tenure so long as the due was paid. These dues, on which depended peaceful relations between federate village and central government, were collected in smaller states directly by ruler with the help of headman and accountant. Sometimes revenue-farmers, like the *publicani* in Rome, became the middlemen, sometimes the village assessed its own total

indebtedness, paid it in a single sum as a corporation, and allotted due proportions among its several members—a proceeding which may certainly find analogies in the Byzantine system, with its joint liability (ἀλληλεγγυον)

But if the last was the favourite practice in the smaller states, the system of the farming middleman was adopted in the larger dominions, with results which have been anticipated in the first division. We are approaching the puzzling problem of the *Zemindar*. This is a word of Persian origin and implies a landholder. In the Punjab it is universally applied to the simple peasants, and seems to connote poverty. Somewhat more south it is given to the village proprietors, in Bengal, to the publicans who rose in the age of Mogul decline from servants to masters, while it is also applied to the Rajput chiefs as a distinct title of honour. Now the Moguls gave the name to the holders of "tributary tenures not yet brought under cultivation", they corresponded, indeed, to the earlier "wardens of the marches" in the west. These half-autonomous districts were called *zemindarees*, and the word might suit the dignity of an Earl of Chester or a Palatine of Durham. The term *ryot* again (to a certain extent a correlative) implies a social relation rather than the description of a profession or caste. It is applied equally to the tiller and tenant of the soil, and to the craftsmen of town or village, to weavers, artisans, carpenters, and labourers. It implies those who are "protected," for example, like the natives who are under consular patronage to-day. They are in *mainburg*, clients, commonsens under a lord, and distinguished from the *raees* or nobles, who, following the profession of arms, were in a position to defend. It may be conjectured that the term *ryot* always connoted a "payer of dues" to a blackmail robber, a welcome and recognized suzerain, or the official of a central government. Thus the term *zemindar* may be taken as any intermediary between local unit and centre, any holder of rights and authority between the actual tillers of the soil and the State, the *ryot*, as actual cultivator, whether a proprietor with ancient rights or a settler without strict title-deeds.

IV

It is to be feared that the British administrators on whom first fell the task of arranging the land question in India were but imperfectly acquainted with the feudal system in the past of their own country, and perhaps impatient of any careful inquiry into the real facts or traditions supplied by the regions taken over from the Moguls. We have already seen how in England a constant prejudice of law and political method ousted the real proprietor and came to regard the patron, protector, and judge of a manor as the sole owner of the soil. The same prejudice was transported into India. The term *ryot* was translated tenant, implying to English ears, an occupier, at pleasure or by covenant, of land and buildings not his own. He was supposed to lack any right which did not belong to an English tenant under circumstances so apparently similar. But old law and, far more important, old custom had given the *ryots* immemorial rights beyond a mere precarious usufruct—at the good pleasure of whom?

The Brahmins writing as if their ideal of government and social relations were actually and visibly realized, spoke of certain officials between the headman and the state, *decurions*, rulers or lords of 10, of 100, of 1000 communities, a system in which the progressive decimals show the common tendencies of human nature all over the world. In Mahratta country we found *Deshmoots*, having seigniorial jurisdiction over a wide tract, and *deshpandyas*, accountants (*procurator fisci*), with care of the chest and rate-registers of an area like our hundred or county. These officials had no proprietary right in their office, and were pensioned individually by the British government.

The Mogul state aimed no less than the unitary governments in Europe after the Reformation, at confronting the individual directly rather than through the mediation of feudal lords or industrial and municipal corporations. During its flourishing period there was but little intermediate tenure. But with the decline of central authority, as in Western Europe a thousand years earlier, the smaller and vicarious powers lifted their heads

A reaction took place to the rudiments, to village autonomy under certain external protection, to the native rule of petty chieftaincies

The lord, the *zemindar*, it has been remarked, may rise from one of four causes, none of which presents any analogy with the English landlord in the modern sense (1) He may represent an old mediævalized or tributary *rajah*, who has lost sovereign right, but had never been asked to surrender a certain dignity in their own district These were clearly rulers with a manorial jurisdiction rather than proprietors in any sense of the word, and to their own people (mostly lying on the fringe of civilized districts) they represented chiefs, not landlords or even *landesvater* Reduced to the rank of subject in face of the central government, they retained their prestige in the eyes of their countrymen (2) Native leaders or military adventurers, levying blackmail on a district until the audacious claim became almost a legitimate due These came to terms both with the State whom they insulted, and the district they rifled Their anomalous position was regularized, and as our own Norse invaders, the repentant brigand settles down into the authorized overlord, paying tribute to the centre and controlling the locality in police and finance The sum paid into the general exchequer would (we may well believe) vary considerably with the fortunes of the dynasty It would be an easy task to intercept the revenues due to the centre, pay an insignificant acknowledgment of dependence to a feeble monarch, and reign undisputed Indian historians point out with emphasis that there is no clear distinction in the eastern mind between legitimate and illegal sources of power. During the anarchy, the conception of robber, *rajah*, landlord, and state-official, were apt perpetually to run into one another How many great families have not owed their present dignity in India and elsewhere to a similar origin in the successful bandit and the raiding adventurer? Certainly the most hallowed institution of Europe, the kingship, on whose wisdom our peace so largely depends in the coming deadlock of parties and strife of classes, can boast of no higher credentials!

(3) Troublous times (as we often note) bring into prominence the subordinate agent, as an independent authority. The *viscount*, third or perhaps fourth remove from genuine sovereignty, seizes and successfully claims immunity, he contrives to make men forget that he has received his commission from the count, the count from the king, the king from a mythical investiture by an eastern or western Cæsar. Officers whose business it was to collect and account for revenue, mere bailiffs (*villici*), gained a footing as lords. Like the bandits, they surrendered as little of the charges as the now feeble government consented to accept, and appropriated the rest to the expense of a petty court.

(4) Lastly, a class not easy to separate distinctly from the last-named, Seeborn's *procuratores fisci*, or rather, perhaps, *publicani*, framers of mercantile contracts with the government as farmers of the revenue. Such offers to save trouble and precarious amounts by an immediate advance of cash, constitute for weak governments an irresistible temptation, equally distrustful as they are apt to be of their own subjects and their own officials. The British empire in India is founded upon these innocent contracts, the Moguls alienate all essential functions and duties of a ruler for a certain sum regularly paid by a mercantile corporation. The sum tends to grow less, and the modest claims of merchants become the armed demands of an equal rival and sovereign power, and the home authority of the mercantile visitors steps in at last to annex the entire profits of the transaction. These bankers and capitalists passed into the category of *Zemindars*, and established an hereditary connection with the collection of revenue and the control of a district, the son was the natural successor to a father's rights and responsibilities. He assumed sole control during the period of ascetic retreat, which even to the men of business formed the goal of life and the chief duty of old age. Without creating a further class of these powerful intermediaries, we may notice that the process of "cutting-up" went very deep. Subholders of a great due-collector (or due-retainer!), lesser captains of a rajah or a robber, sub-contractors of a banking firm of publicans attained the same independence as their superiors.

What, then, were these hereditary or semi-hereditary middlemen? They were, above all, representatives of a central power, which had perhaps ceased to exist, except in name. They were government functionaries and recognized delegates, receiving and perhaps intercepting its dues. They might pass for successful imitators of a feudal lord of the west. It need scarcely be said that they made no claim to alter the status of the villages which they protected or despoiled. Throughout, these relations lay between payer and payee of fee-farm rent or customary due, the property of the sovereign power, they acted as officials. Nothing could well be more different than the relations of landlord and tenant. "We are yours, but the land is ours," the axiom of the Russian *moujiks*, is almost in place here. The rights in the soil were not conceived as passing from the original community, they were almost never bought and sold in open market, and private treaty took the form rather of a revocable and terminable mortgage than of sale outright.

The government (or the middlemen who usurped its function) exacted as due a full rental, the profit went to the State or its representative, there was no margin for subletting. If by some means a transfer did occur, the community claimed and exerted a right of veto (in the same fashion that during the Lecapenian land-legislation of Romanus I, 919-945, the joint-proprietors of a commune and the adjacent country squires had a right of pre-emption). The motive is clear, they were concerned in refusing admittance to a disagreeable stranger, and in keeping out a bad or negligent farmer. Nor did land, even in such transfers, pass irrevocably out of the old tenant's hands. If impoverished, he would mortgage rather than sell, and the new occupier took on with the land and its use the obligations it bore. Even after long lapse of time, an original possessor could reclaim on repayment, and moral custom, rather than any precise legislation, was entirely on the side of the owner. Seizure and sale for debt were unknown, and in the usual sense there was no free transfer in land. The superior position of *zemindar* was, also, not a matter of purchase, the position was personal and official, and the idea of the sale of an office was not as yet conceivable.

V

It is now possible to trace the points of resemblance in the "manorial" development of east and west. It is clearly established that throughout the world the clan-community village or city-state of classical days is the first social and political unit after men have abandoned the nomad stage. It is anterior to strictly political organization, not because it dates from an age before men had begun to feel the need of such, but because it is already an effective political organism.

We have used the term "federated republics" of these self-sufficient village-communities, which might accept and recognize patronage or protection from without, but never reconstructed their own law of social custom, religion, land-tenure, in obedience to any external authority. The empire of China was formed by adding cell to cell, each complete in itself, and handing on to the larger unities formed by this aggregation the same principles, traditions, and government. The various hegemonies that have arisen or fallen in the Indian peninsula have never disturbed the genuine life of the societies that obeyed them. The village is the immediate unit which has never forfeited independence however violent or arbitrary the grouping under rival potentates. The Roman Empire is nothing but a suzerainty exerted over a network of city-states, which was the sole remedy for the conflict of their interests. The increase of imperial duties, the pretext for interference, was no encroachment of autocracy, it was due to the confidence felt in an impartial arbiter. One of the most fascinating, if obscure, paths of historical research which students might be recommended to trace, would be a careful inquiry into this ultimate reality—village life—under the Cæsars of west and east, in the remote provinces of the empire. We are too exclusively familiar with the ghostly mimicry of municipal freedom in artificial boroughs which retained little or nothing of the independent life of the old clan-societies.

The Germanic invasions, as they reverted to rudiments, replaced the now defunct city by the earlier form, and while

villages may have grown up underneath the shelter of a castle, numberless castles must have been built where villages already promised retainers and supplies. I do not doubt that such community, a helpless huddle round a protecting fortress, must seem to owe its laws and very existence to a power outside. But it speedily accommodated itself to those forms which pre-existed the coming of any patron, welcome or unwelcome, king's companion or brigand-chief or ancient collector of revenue. The manor is a curious combination, it seems to recognize the old free community, and it places over it a new representative and protector. And the State, as it reforms again during the troubles of the Middle Ages, cannot deal directly with its subjects, but prefers to group men under a representative and champion, and leave the minor details and local government, which now suffocates an imperial legislature, to the local powers, to village or manorial custom. As Philosophy loves to find (or presume) a unity, as French lawyers never stopped short of a despotism, so the State invested the lord with plenary powers, and recognized him sole proprietor. So the British Government in India, impatient and incapable of direct intercourse with the units, created from the ranks of revenue-officers a sole and unique proprietor whom it could easily confront. Hence arose that peculiar and anomalous person, the modern landlord, both in the earlier feudal age (as in our last article) and in the Indian Continent of to-day.

It is worth while noticing a few problems which arise out of this policy, as deliberate to-day as it was unconscious in Western Europe a thousand years ago. The ancient landlord was a petty king, rather than an owner of the soil. He presided over the administration, though he never originated its forms, and held his powers in reserve, he presided, also, over justice, though he neither created the customary law by which the free tenants judged each other, nor assumed any arbitrary right of decision. Emphatically the rural community had spontaneous life in itself, and needed no imposition or dictation from without. This privileged yet onerous position was conspicuous and responsible. No doubt it was often abused, but in a small

and blatant minority of instances. At least the feudal system kept alive the true ideal of democratic self-government, which in the centralized state-autocracy of the competitive nations of Europe to-day has no longer any genuine existence.

But the position of the landlord, thus created and encouraged by an enfeebled State, becomes a pressing problem when this said State has once more regained all her old powers of direct interference. The State (as in France) supplements the vigorous local rule of nobles by their own central officials, and the landlord is reduced to a receiver of rents. In England, this detachment of a titular chief from active and responsible duties, while still receiving large profits from the soil, is delayed and rendered harmless by several causes. He has never been a mere receiver of a rent-charge, rising in proportion to the industry and thrift of the tenants; the relation has been one of partners in a business concern where the interests of both are involved, the landlord supplies capital, judgment, and often personal experience for the improvement of the holding, and the welfare of the two parties is closely-bound together. Though, like many Indian rajahs, he has developed out of a foreign intruder and official of an usurping government, his historical career is not discreditable, and his present condition is full of promise. Relieved of purely political duties, police, justice, finance, and the war-levy, he has still left to him a large and ample domain of social intercourse and financial use. The individual is still infinitely more popular than the assembly, the county council, the committee, and the private arrangement between tenant and landlord (whatever his early origin and title-deed) is better liked than the hard-and-fast rule of a proprietary State, acting by routine through bureaucrats of limited intelligence and narrow sympathy.

But unless there is this co-operation, the tolerated survival of a landlord-class as "sleeping partners" in a going concern, can only contribute to the same discontent which precipitated the Revolution in France. We must rid ourselves of the idealist belief that to give power and responsibility to an individual and family is to create a tyrant. Nothing is further from the truth. The real menace to society is the existence of idle and

irresponsible wealth, detached from office, secret in its methods, uncontrolled by the public opinion, which, in the most oppressed nations of history, has always been a silent but powerful coercive.

The method adopted by our government in its Settlements of Indian land from 1793 to the present time, has been guided by the early manorial principles, in all but the most important respect. To ensure fixity of tenure, to regularize and legitimate the existing State, a certain class of proprietors have been created, without perhaps much actual injustice to original ryot-holders, or their casual successors with less claim to genuine ownership. But the government has not given them responsible power, no doubt for very good reason. They are like the French *noblesse*, mere rent-receivers, and not partners in the common interest of agriculture and the reclaim of the waste. But the people, the original settlers in the clan-village, might be expected to resent this unequal division. A nobility, however created, is never unpopular when it is active, and when it recognizes and performs certain duties. An umpire, an arbiter, is never resented, and the worst displeasure of the people is reserved for useless drones, who take the surplus in view of some obsolete ancestral right. But if the pecuniary profit is united with obvious duties, no resentment is felt. These (in large part) gratuitous feudal services have been looked upon with jealousy by the modern State. But the feudal interests are still strong, because they are founded on human nature, which can understand a master and a family, but not a rent-charge or an absentee. It may be said that the present crisis in England, though supposed to be a straight issue between popular and aristocratic government, is in reality a conflict between feudal arbitrage and local autonomy, and the autocratic claim of the modern state. The analogy between European and Eastern developments enables us to trace in the Manor the typical unit of society, and in its lord a valuable defence against central encroachment, unless indeed all marks of his early independence and active duties have been unhappily extinguished.

F W BUSSELL.

NOTES AND MEMORANDA

HAND-LABOUR IN JAPAN—This is a good country in which to study the results for the labourer of changes in industrial processes. The development of automatic machinery in the West casts frequent and sombre shadows over the prospects of wage-earners, but there are deeper shadows ahead in the land of the Rising Sun. In a district noted for its altogether exceptional supply of cattle, practically all land traction off the railway lines is by hand. Walking over a steep hill, I met a stock of provisions *en route* for the Imperial Naval Training College. It was conveyed in hand-carts drawn by women. On another occasion I met a team of three women and three men dragging a log. A handcart holds ten baskets, each containing 130 pounds of coal. One woman will pull one such cart.

In a city of 150,000 people, entirely built on a dead level, practically all the transport of goods and people is performed by means of hand-carts and carriages. Yet the town has a garrison numbering several thousands, including cavalry and artillery. A drainage scheme is in process of being carried out, for the town is a reclaimed mudflat. The necessary pumping is being done partly by treadmills (the method in vogue on all irrigated lands), but partly by electric pumps driven from the town mains. There is a woodyard near my house, where logs are being sawn into boards with single-handed saws, but even nearer is a shed where rice is being cleaned by electricity. In the next street there are working in adjoining houses a wood-turner, using a lathe which turns the object back again after each cut, and a brass-turner, using a powerful Western machine. The landscape consists entirely of steep rugged hills, large portions of which are cut into terraces two feet wide, and this is carried out irrespective of the angle. They are frequently pitched with granite to obviate their destruction by floods. The soil is extremely sandy, and is rendered productive by the plentiful use of nightsoil. The sanitation of the town, domestic and public, is left entirely to the enthusiasm of the neighbouring cultivators, who pay for the privilege of removing the excreta, and do so in buckets, on handcarts, or suspended from their shoulders.

Ordinary commodities are far from cheap, but handmade articles by no means involve a high price. A pair of stout rice-straw sandals, with long cords to bind them to feet and legs, footgear which stands no small amount of hard wear, costs 2 sen 5 rin, or $\frac{25}{40}$ ths of a penny, and are made by hand. We read in the last report upon the State Experimental Farms that "the study of tea-manufacturing machinery has resulted in the reduction of manual labour," but an experienced shipping agent at the historic port of Nagasaki informed me that the "Empress" liners coal at the rate of 357 tons per hour into ordinary bunkers, the greatest speed attained in any port in the world, entirely by hand—and the hands are almost all women, some with babies on their backs. This feat is performed under the shadow of the most powerful derrick in Japan, which towers above the shipbuilding yard close by.

These somewhat random items add up into a very powerful factor for producing "dislocation of the labour market and consequent distress," as we should say in England. How will the terrace cultivation, with its system of manure dependent upon a numerous population, fare in competition with American methods exploited on the plains of Manchuria? If the terrace cultivation declines, will the cultivators be added to the supply of hand-labour in the towns? Will they emigrate, like the Scottish and Irish crofters under similar circumstances? Hokkaido requires five times the present population to bring the ratio up to that of Japan. $3\frac{1}{4}$ million acres of State land have been disposed of in thirty-six years, and about the same amount is still available. Saghalien, it is estimated, can support 6000 farming families, besides its mines and fisheries and forests. The Japanese in Formosa increased from 26,762 males and 15,354 females in 1901, to 43,358 males and 27,682 females in 1906. Emigration to Hokkaido rose from 43,401 in 1902 to 79,737 in 1907, 46,598 of the latter being cultivators and 4832 fishermen. Persons returning from Hokkaido rose from 9985 in 1902 to 13,457 in 1907, 4316 of the latter being cultivators. The number of persons furnished with passports for foreign countries rose from 32,900 in 1902 to 43,627 in 1907, 10,919 of the latter being cultivators and fishermen bound for Hawai, 1561 for the United States, and 461 for Canada.

There are no figures which indicate that land is going out of cultivation in Japan proper. The area of taxable land increased by nearly two million acres between 1898 and 1909, and the figure already quoted shows that Hokkaido does not account for this. The area under rice has increased, that under barley and wheat has decreased, the exact opposite of what we should expect. The areas

under leaf indigo, hemp, and seed cotton have decreased enormously, those under rape seed, buckwheat, tea, tobacco, and millet to a less extent, while those under the small red bean and potatoes have greatly increased

The two other principal factors in the situation—the absorption of the population in mines and factories, and the movement of wages—must be reserved for a succeeding issue

J C PRINGLE

THE EXECUTIVE AND LEGISLATIVE COUNCILS OF INDIA—Subject to the general supervision of the Secretary of State for India, the Government of that country is carried on by the “Governor-General in Council,” that is, by the Viceroy and six “ordinary” members of Council, each of whom takes charge of one, or, at most, two departments. The Viceroy invariably presides over Foreign Affairs, whilst the members of Council devote themselves to the Legislative, Finance, Home, and other departments.¹ These members of Council occupy an official position similar to Secretaries of State in England, and under them, in each department, there is a secretary who corresponds to the English Permanent Under-Secretary. Like the Cabinet, the Governor-General in Council is corporately responsible for the acts of its individual members, but the Indian member of Council has not such a large amount of individual freedom of action as has a Secretary of State. In any matter of importance the member will consult the Viceroy, and the Viceroy decides whether the matter shall be laid before the whole Council. A member can, however, insist upon obtaining the opinion of the Council on any matter connected with the department under his charge, and in the case of a disagreement between two members, or between the Viceroy and a member, that matter would always be brought before the whole Council.

A large proportion of the cases which arise are settled by the member in charge of the department concerned, whilst cases laid before the Council are ordinarily decided in accordance with the views of the majority, the Viceroy having a casting vote. The Viceroy, however, has the power of overruling a majority of his Council on questions “essentially affecting the safety, tranquility, or interests of British India.” On the whole, the balance of power in the Indian Government is different from that in the Cabinet, for the Viceroy has a much more commanding position than the Prime Minister, whilst the Finance Member has not such a strong influence as the Chancellor

¹ In March, 1909, Mr Sinha was made legislative member. He is the first native of India to be admitted to the Executive Council.

of the Exchequer The influence of the Treasury in English administration is largely due to its great traditions and the power of Parliament behind it This historic tradition and the support of Parliament are necessarily lacking to the financial department in India. There, the only assemblies which have any representative character are the so-called "Legislative Councils," and these have had but little influence upon the financial policy of the Government In the future, however, under the operation of the Indian Councils Act of 1909, their influence will probably make itself felt

Under the Act of 1892 the Imperial Legislative Council was composed of the Imperial Executive Council, described above, together with sixteen other members chosen by local bodies, nominated by the Viceroy, or selected in other ways, the official element being always in a majority The functions of this Council were strictly limited It might not interfere with Acts of Parliament, and Acts passed by it might be disallowed by the Secretary of State Measures relating to the public revenue or debt, to military or naval matters, to foreign relations or to religion might not be introduced without the Governor-General's sanction, nor could any bill of importance be put before it by the Government of India without previous reference to the Secretary of State Subject to these restrictions the main business of the Council was the initiation and discussion of legislative measures, but its members also possessed the right of interpellation on matters of public policy (provided the questions were not considered inadmissible by the Governor-General as President), and of discussion, but not of division, upon the Indian Budget The position of a non-official member, then, was as follows He might, subject to many restrictions, introduce measures of legislation, he might speak and vote upon any measure already introduced, he might ask questions, but not supplementary questions, upon matters of public interest, and he might, and generally did, make use of the annual budget discussion to ventilate any grievance, financial or otherwise, to which he wished to call attention

By the Indian Councils Act, 1909, great changes were made, the membership of the Council, excluding *ex officio* members, was raised from sixteen to sixty, and the proportion of elected members largely increased, but not so largely as to deprive the official element of its permanent majority Members may move resolutions on matters of general public interest, and all such matters may be fully discussed and put to the vote, provided that no division shall be allowed on matters removed from the cognizance of the Council by the Act of 1861, on matters affecting the foreign relations of England or India,

or on matters which are *sub judice*. The President also may disallow any resolution on the ground that its introduction is opposed to the public interest. With regard to the budget, members may discuss it in detail, move resolutions thereupon, and put them to the vote. From henceforth, say the Government of India,¹ "discussion will no longer be confined to legislative business and a discursive and ineffectual debate on the budget, but will be allowed in respect of all matters of general public interest. Members will, in future, take a real and active part in shaping the financial proposals of the year." It is, indeed, obvious that the non-official will play a much more responsible part under the Act of 1909 than under the Act of 1892. The elected members represent diverse interests—district boards, municipalities, landowners, etc.—and should be able to represent the opinions of their electors with some effect.

Each Provincial Government in India has a Legislative Council to assist it in the work of legislation. Under the Act of 1892 these councils had very much the same functions as the Imperial Legislative Council, save that their powers were limited to the consideration of purely provincial matters. The Act of 1909, however, provided that these councils, in their enlarged form, should contain a permanent *non-official* majority. In respect of other matters each provincial council is governed by rules of its own, which in essentials differ but little from those of the Governor-General's Council.

We have not yet had opportunity to judge of the effects of Lord Morley's reforms. The new Legislative Councils were only elected in January, and discussed their first budget in March, 1910. One important effect, however, may be anticipated. It is that with a non-official majority the provincial councils will not be able to pass Acts, as they have done in the past, such as those protecting tenants from ejection and rack-renting. The non-official majority will almost necessarily represent the propertied classes, and would probably oppose any such legislation.

D. A. BARKER

A GERMAN JUVENILE LABOUR EXCHANGE.—At a moment when the air is full of schemes for training and directing into suitable channels the stream of potential boy labour pouring forth annually from our elementary schools, it is instructive to turn to Germany, and note the results of a movement now in progress at Hamburg to deal with one important aspect of the problem. I refer to the work

¹ Resolution of Nov. 15, 1909.

of the "Lehrstellen-Nachweis" (Juvenile Employment Bureau), carried on by a society known as the "Patriotische Gesellschaft"

This society is endeavouring to do for Hamburg lads what such institutions as the Apprenticing and Skilled Employment Association, through its various branches in London and the provinces, is endeavouring to do for English lads. Whether or not this important work is to be ultimately taken over by the new Labour Exchanges, or any development thereof, seems to be as yet undecided. In the meantime the association is striving with hopelessly inadequate resources to meet the same want as the centralized Hamburg body, and it should therefore interest all friends of the former to note the measure of success attained by the latter.

Now, the surprising thing about certain results to hand from the Hamburg Bureau is that, apparently, many of the self-same difficulties with which we have become painfully familiar in London and elsewhere, are to be encountered in as vexatious a degree in well-ordered Germany. It will, no doubt, come as somewhat of a shock to many Englishmen to learn that the carefully educated and wisely disciplined German lad and his educated and disciplined parents seem to be as troublesome to deal with and as short-sighted in their views as their English prototypes, whom it is now the fashion to decry as ill-educated and ill-disciplined. We note in Hamburg the same apathy in responding to the well-intentioned efforts of those anxious and able to help, the same light-heartedness in throwing up situation after situation, the same propensity to throng blindly into places offering high initial wages, and to disregard all other considerations. The Hamburg lad, in fact, seems to have all the familiar failings of the London lad.

The Bureau with which we are concerned naturally works in close co-operation with the schools, and endeavours to get into contact with the pupils before they leave. Following its usual practice, accordingly, it distributed between October, 1908, and the ensuing Easter application forms (returnable to the Bureau) to all lads intending to leave school at the latter date. The object sought to be attained through the medium of these forms was to bring the lads while still at school into relationship with the Bureau, and to ascertain their wishes and give advice as to their subsequent employment. In all, about 3000 of the forms were distributed among the local "Volksschulen". Of this number only 600 were returned duly filled up. In addition, 195 lads, instead of returning their forms, made personal calls at the Bureau, so that a total of 795 applications resulted from the distribution of 3000 forms. In other words, less than one-third of the forms produced any response whatsoever.

But the filling up and return of the forms is a mere preliminary, intended to be followed up in every case by the personal attendance of the lad at the Bureau. With this end in view written invitations are sent to the parents, and a circular letter addressed to all the schools. Yet, in spite of all these efforts, only 309 lads made the desired call. For 281 of these places were found, and many were sent to two or more places before getting finally settled. On the other hand, many never returned to the Bureau if the first place offered was not to their liking.

The same lack of consideration is shown by the masters as by the boys. Only 127 employers took the trouble to notify the Bureau, as requested, that they had found places for the lads sent them. It is consequently impossible to form any accurate idea of the number actually "suited" through the medium of the Bureau. As regards choice of occupation, one is naturally not surprised to find that at so important a commercial centre as Hamburg most of the lads are anxious to obtain situations with commercial firms, and that the majority of the situations offered are with such firms. The offer of shop situations, however, greatly exceeded the demand. On the other hand, the number of lads wanting to enter engineering firms, electrical and otherwise, greatly exceeded the available supply of such vacancies. The result had been to make employers in these trades more exacting, no wages being paid during the term of apprenticeship (three to four years), and the parents being required to undertake the entire maintenance of the apprentice until the expiration of the term. To show the discouraging nature of the work, it may be mentioned that, with 118 "commercial" situations to offer at Easter, 1909, and 153 lads seeking such situations, only 19 lads could be, in fact, placed. The main reason for this disappointing result is to be found in the fact that nearly all the lads wish to enter at once the largest business houses, as these, in their opinion, offer the earliest prospect of an assured position for life. All advice to enter small, but thoroughly sound, commercial houses, where a lad, coming under the more direct supervision of the head of the firm, would have much better opportunities of acquiring business knowledge, falls for the most part on deaf ears.

It should perhaps be here mentioned that no fees of any kind are charged by the Bureau.

Another difficulty with which we are fully familiar in England also reproduces itself in Hamburg. There, too, are to be found many good openings for boy labour which are inexplicably unpopular. We learn, for example, that bakers, glaziers, engravers, saddlers, upholsterers,

smiths, tailors, bootmakers, and lithographers are in positive need of regular apprentices, and offer excellent prospects. Can it be that in this case also the explanation is to be found in the nature of the education syllabus and school curriculum? Is the instruction given at the much-lauded "Volksschulen" also too literary, and not so adjusted as to prepare the pupils, or give them a taste, for a career of manual labour hereafter? Or is the marked and widespread preference for the "black coat" situations to be accounted for on other grounds? Whatever the true explanation, the fact remains that most of the lads only elect for the above-mentioned trades as a *pis aller*.

The foregoing brief description of a typical half-year's work is instructive, if a little saddening. To some it may be possible to extract from its perusal some measure of consolation for feelings of national pride, sorely mortified of late by invidious comparisons instituted between English and German methods, to the detriment of the former. They may even be inclined to indulge in a mild outburst of "Schadenfreude" at the reflection that efficient, well-governed Germany is beset with certain problems which we had come to look upon as our peculiar heritage from generations of neglect and *laissez faire*. Others will rise superior to these very human feelings, and rather ask themselves whether perhaps some of the theories hitherto current upon the problem of boy labour and its solution will not have to be modified, if not entirely rejected. It would be going beyond the province of this note to examine these theories critically. Let it suffice that attention has been drawn to a remarkable similarity of experience in two widely different environments.

ERNEST LESSER.

ONE POUND NOTES.—Since the American crisis of 1907 there has been considerable discussion in banking circles with regard to the desirability of increased gold reserves. Of the various schemes put forward for effecting such an increase the most interesting from a scientific point of view is that providing for the issue of £1 notes, as suggested by the late Lord Goschen in 1891. Then, as now, the scheme was opposed by the bankers, who maintained (1) that the notes would not circulate, (2) that they would become very dirty if they did, and (3) that they would give extra work to bank cashiers, whilst recently Mr J. H. Tritton has warned us not to forget the dangers which led our forefathers to prohibit the issue of notes below the denomination of £5. Whilst declining to assent to the need for any such warning under modern conditions of banking it is, nevertheless,

interesting to recall that phase of our banking history to which Mr Tritton referred

By an Act of 1742, consolidating and explaining two previous Acts, it was enacted that no body of persons exceeding six in number might issue notes in England save the Governor and Company of the Bank of England. So long as the issue of notes continued to be the principal branch of banking business this enactment was sufficient to protect the monopoly of the Bank of England. The limitation on the number of partners prevented the establishment of any solid rivals or of any sound note issue in the provinces, for the Bank of England notes did not circulate outside London. When an abundant supply of currency became necessary for the great industrial development which began during the middle of the eighteenth century, this supply, as it could not be obtained from sound sources, had to be obtained from unsound sources. "Multitudes of miserable shopkeepers in the country—grocers, tailors, drapers—started up like mushrooms and turned bankers, and issued their notes, inundating the country with their miserable rags. Burke said that when he came to England in 1750 there were not twelve bankers out of London, in 1793 there were nearly 400¹. These small country bankers were quite unable to meet any serious demand for gold, so that the circulation of their notes constituted a serious danger. In 1775 an Act was passed to prohibit the issue of notes of less than 20s. Two years afterwards this limit was raised to £5, but in 1797, the year of the bank restriction, Acts were passed permitting both the Bank of England and the country bankers to issue notes of less than £5.

During the period of the restriction the country bankers continued to issue notes to a vast amount, and in so doing encouraged the wildest speculation. Many banks failed, and the holders of their notes were ruined. Opinion continued to grow against the small notes, but they were tolerated until the crisis of 1825 led Parliament to fix the 5th April, 1829, for the final extinction of all notes under £5.

Although it is probable that the statesmen of this period exaggerated the evil effects of the small notes, and attributed to their existence various evils which can hardly be debited against them, yet it is true (though this does not seem to have been pointed out at the time) that small notes have an inherent tendency to foster speculation if no limit be placed by law upon the extent of their issue. Let us take the case of one bank having the monopoly of business in an isolated community, and let us suppose that in this community banking has not reached

¹ H D Macleod, *Theory and Practice of Banking*, vol 1 p 507.

the "deposit" stage but is still in the "issue" stage The balance sheet of this bank may be set out as follows —

<i>Liabilities</i>	£	<i>Assets</i>	
Notes issued	10,000	Gold	
		Securities	
	10,000		10,000

Now, if the notes supplied by this bank are not under £5, the "small change" required for retail trade must consist of gold. If, for instance, a customer borrows £1000, he will have to take (say) one-tenth in gold for wage payments, etc Therefore after his requirements have been supplied the balance sheet will show —

<i>Liabilities</i>	£	<i>Assets</i>	£
Notes issued	10,900	Gold	900
		Securities	10,000
	10,900		10,900

giving a ratio of gold to liabilities of 8 25 per cent If, however, the bank had been able to let him have £1 notes instead of sovereigns, the balance sheet would show —

<i>Liabilities</i>	£	<i>Assets</i>	£
Notes issued	11,000	Gold	1,000
		Securities	10,000
	11,000		11,000

giving a ratio of gold to liabilities of 9·09 per cent Had the borrower asked for a loan of £5000 instead of £1000, taking as before one-tenth in sovereigns, these percentages would have been 3 45 and 6 67 respectively That is to say, the banker who can issue £1 notes is in this case almost twice as well off as regards his reserve of gold as the banker who is restricted to notes of £5 The former could under certain circumstances go on lending almost indefinitely, the latter would always be pulled up by the exhaustion of his stock of gold If they both limited themselves to an issue of £15 in notes for every sovereign held in gold, the former could add to his issues by £5000, whereas the latter could only add to his by £1250 (as is easily calculable) It was in this way that the issue of small notes helped to swell the speculative manias of 1810 and 1825 On the other hand, it is obvious that the issue of £1 notes according to the scheme suggested by the late Lord Goschen can have none of the evil effects which led to the abolition of such notes in 1829 Then they were issued by numberless petty tradesmen ; now they are to be issued by one great institution.

Then they were issued without any regard to prudence, now they are to be backed by gold as to four-fifths of their total amount. The most enthusiastic Baconian would hesitate to apply the theories of 1829 to the facts of 1910

D A. BARKER.

CURRENT ECONOMIC PERIODICALS —In the *Economic Journal* for March, Professor Carl Plehn writes on "The Tax Reform Movement in the United States," which proposes to change the incidence of taxation, rather than to increase the revenue "Most of the evils in the tax system of the United States are found in the general property tax, and the aim of the tax reform movement is to cure them in that tax" Mr J S Furnivall contributes a most interesting article on "The Organization of Consumption," and concludes that "Production has been organized both in East and West, but in the latter consumption has been neglected In this lies a danger to Western civilization, and this is the ultimate basis of many of the objections to it on the part of those peoples who receive its benefits unwillingly The test of civilization is the growth, not of new wants, but of new activities If progress is to reach beyond a certain point, it is the organization of consumption for which there must be an organized demand" Among other subjects discussed are "The Assessment of Weekly and Monthly Tenancies for Local Taxation," and "The True Cost of Secondary Education for Girls"

The Archdeacon of Ely has contributed an article entitled, "Is it possible for a Free Trader to be a Good Citizen?" to the January number of the *Irish Church Quarterly* He gives two chief reasons for answering the question in the negative First, the Free Trader, in his opinion, concentrates attention on consumption and the interests of consumers, to the neglect of the conditions of production and the interests of producers, and, secondly, the Free Trader, being cosmopolitan economically, tends to be cosmopolitan in politics also, and to lose sight of the claims of patriotism Dr Cunningham adds that the progress of the Tariff Reform movement has led to loss of hope on the part of Free Traders, with the result that they are likely to become lethargic and supine in public affairs.

In the article, "Historical Evolution of the Catholic Teaching on Usury," by Dr J M Harty, the *Irish Theological Quarterly* for January supplies a clear and careful account of Western teaching on the subject of usury and interest, dealing with the decisions of councils,

the opinions of theologians and canonists, and the judgments of Roman Catholic authorities Dr Harty shows the development of view which has taken place in this matter, and reaches the conclusion that "there can no longer be any doubt about the lawfulness in practice of taking a moderate interest on a loan of money, whether the receiver is in good faith or in bad faith, and whether the title of the civil law is available or not"

The *Eugenics Review* for January contains articles by Sir E Bra-brook on "Eugenics and Pauperism," pleading for a deeper feeling of "the moral responsibility attaching to the relation of parentage;" by Mr Stanley Hall on "Education in Sex-Hygiene", and by Mr J E Lane on "Racial Poisons," advocating systematic instruction and notification in regard to venereal diseases Miss Ravenhill writes on "Eugenic Ideals for Womanhood," arguing that the conventional sphere for woman's work includes the most important eugenic occupations, and Mr A E Crawley describes savage marriage laws

The haphazard method of allocating "Exchequer Grants to Local Authorities" is described in *The Local Government Review* for January, and Dr C S Loch contributes a critical account of "The Poor Law Controversy" In considering "Apprenticeship, Old and New," Mr R A Bray deplores the growth of blind-alley employments, and suggests that children should be apprenticed to the State until they reach the age of eighteen Other articles treat of "The Sterilization of Public Water Supplies," "Women and Local Government," and "The Problem of a Pure Milk Supply"

In *Progress* for January, Mr Hugo Kilner treats of "Unemployment and its Remedies," assigning the rural exodus as a cause, and the extension of Small Holdings as a remedy for the evil. Mr Sidney Webb sets forth briefly the reasons for the Minority Report of the Poor Law Commission. Short descriptions are also given of the University Tutorial Classes for working men and women in London, and the similar but more highly developed organizations in Scandinavia and France

Most of the articles in the January issue of *The Socialist Review* are on "Labour at the General Election"

The February number contains articles on "Monarchism and Diplomacy" by Mr. Rapoport, and on "Sweating and the Minimum Wage" by Mr. H Willmott There is also an account of a strike of

Polish workers in the jute mills of Ludlow, Massachusetts, and a sketch entitled "John D.," by Mr. Upton Sinclair

The *Clare Market Review* for February contains an article on "The Economic Aspects of the Indian Unrest," by Mr. N. M. Muzundar, which explains that, "Behind the political causes which seemingly overshadow all others, there lies a larger economic cause, a deeper current beneath all the surface disturbances that is making for a change in the economic situation of the country." There is also an interesting account of "Labour Exchanges in Denmark," by Miss Florence Levetus.

The *Annals of the American Academy of Political and Social Science* for January deals especially with the social and economic problems of "The New South." Child labour has abnormally developed in all industries, especially where the use of steam or electricity has minimized the necessity for adult skill and strength. In the older manufacturing States the evil has long been recognized, but it still grows apace in the newer States, where the most conspicuous industry, the manufacture of cotton, is one which, both in England and New England, has always employed children on a wholesale scale. Legislation in connexion with child labour is beginning to be effective in all but the cotton States, although in many places public opinion is working against all such reform.

In the *Political Science Quarterly* for December, 1909, Prof. F. H. Giddings writes on "Social Self-control," i.e. the pressure brought to bear by social groups on individuals and on subordinate groups for the prevention of wide departures from an approved type of individual character and social structure. Sociology, as distinguished from the special social sciences, is the science of the phenomena of this disciplinary process. There are also discussions of "The Ballot's Burden," by Mr. C. A. Beard, and of "Marxism versus Socialism," by Mr. V. G. Simkhovitch.

In the *Journal of Political Economy* for January, there is a second article on the "Tariff of 1909," by Mr. H. Parker Willis, in which the legislative history of the Act is given. Miss Anna Youngman describes the "Tobacco Pools of Kentucky and Tennessee," i.e. the combinations formed by tobacco-farmers in an attempt to cope with the buying monopoly exercised by the American Tobacco Company and, what is now its branch, the Imperial Tobacco Company of Great Britain.

The *Revue d'Économie Politique* for January begins with a tribute to the memory of Léon Walras. In an article on "L'Actionariat Ouvrier," Prof. Gide advocates the co-partnership system between capital and labour, in spite of opposition from the French syndicates or trade unions, which are founded on class rivalry. Other articles deal with the subjects of taxation and fiscal reform. There is also an account of the rural depopulation in France, as shown by the decadence of the peasant proprietor and the large farmer, though the number of small holdings is on the increase.

In *La Réforme Sociale* for January M. Georges Risier surveys the problem of cheap housing, referring to recent experiments in England. M. V. de Clercq has a vigorous advocacy of benefit societies, as the best antidote for rural depopulation. This is also urged in a scientific paper by M. Jean Choleau on the "Rural Exodus in Brittany."

Le Mouvement Social for January begins with an article on "La Direction Sociale de l'Église," dealing with Catholic Trade Unions. Next comes an account of old age and invalidity pension schemes in various countries. Other articles deal with the Christian social movement in Poland, and the contrast with revolutionary ideals.

In *Le Christianisme Social* for January Prof. C. Gide writes on the "Octopus of Landlordism," referring mainly to English conditions. He concludes that landlords are economic parasites, and that the "unearned increment" is an ideal object for taxation.

Two articles in the *Revue Économique Internationale* for last December deserve special mention—one on "L'État Moderne et la Démocratie," by Senator Baudin, and the other on "La Situation des Petits États," by M. Eugène Baie.

M. Ernest Solvay writes about the principle of equality of opportunity in the January number, which also contains articles on the problems of inland navigation in France, and on the recent development of Holland.

La Réforme Sociale for December contains several articles on the problems of the countryside. The factory system is destroying domestic industries, and a league has been formed to develop new industries in the rural districts.

In the January number M. Eugène Montet advocates "La Mutualité Agricole" as a remedy for the decline of agriculture.

The *Annales* of "Le Musée Social" is always instructive. The recent developments of trade unionism are dealt with in the November and December numbers, and also the working of arbitration boards in Canada.

The January issue contains a chronicle of the Society's proceedings, and articles on co-operative agriculture and the Swiss system of Labour Exchanges.

The Report of the English Poor Law Commission is considered by Sig Carrara in the last November issue of the *Rivista Internazionale*, which also publishes an instructive account of Italian emigration to South America. The system of Metayage in Tuscany is described in the December number, and there is a further discussion of the problems of emigration and colonization as they affect social conditions in Italy.

Mr David Davidson deals with the incidence of the Swedish Income Tax in the *Ekonomisk Tidskrift* for November, 1909, particularly in regard to the method of "after-assessment," and again in the number for January, 1910, in relation to the taxation of a business company. There is a long account of the Swedish method of imposing water rates in the December issue.

The last December number of the *Nationalökonomisk Tidskrift* contains a very instructive review of the present economic position of Denmark by Jens Warming, emphasizing the need of thrift and the general effect of high wages on unemployment.

Fru Schon contributes an article to the January issue of the *Samfundets Krav*, arguing strongly in favour of the proposed legislation against women's night-work in factories.

LEGISLATION, PARLIAMENTARY INQUIRIES, AND OFFICIAL RETURNS.

THE *Statistical Abstract of the United Kingdom*, 1894-1908 (Cd 4805, 405 pp, 1s. 8d), contains the usual tables relating to British trade and industry during the last fifteen years. The figures of imperial expenditure show that the expenses of administration have increased from £101 millions in 1894 to £152 millions in 1908-9. The highest point reached was in 1901-2, during the South African War, when the expenditure reached over £205 millions. The amount spent on the Army and Navy has risen from £35 millions to £56½ millions. Here again the heaviest expenditure was naturally during the war, when in 1901-2 it reached a total of £130 millions. In comparison with this costly item, the amount for education looks small indeed. In 1894-5 the total expenditure on elementary education was under £9 millions, but in 1908-9 it had reached £15½ millions. The annual amount upon which income tax was received has risen from £526 millions to £653 millions. The receipts and expenditure of Local Authorities have increased enormously. The total receipts, which in 1892-3 amounted to £82 millions, stood in 1905-6 at £164 millions. It is interesting to note that municipal tramways, which in 1892-3 brought in an income of under £146,000, have increased this amount in 1905-6 to over £7 millions. The expenditure on Poor Relief in 1905-6 was £17 millions, as against £11 millions in 1892-3, and that of Town and Municipal Authorities, which in 1892-3 was £42 millions, has almost trebled.

The large increase in foreign trade is shown by the following figures. Imports increased from £408½ millions in 1894 to £593 millions in 1908. But 1907 was the record year, with £646 millions. Exports increased from £273¾ millions in 1894 to 456¾ millions in 1908. But, again, 1907 holds the record with £518 millions. These figures are well worthy of study by those who are continually harping upon our declining trade. The tonnage of vessels entered with cargoes in 1894 was 31 millions, of which 22¾ millions were British, while in 1908 the tonnage was 40 millions, 28 millions of which were British. The tonnage of vessels cleared in 1894 was 35¾ millions, the British

portion being $26\frac{1}{2}$ millions, and in 1908, out of $56\frac{1}{2}$ million tons cleared, $35\frac{1}{2}$ million were British

In the *Thirteenth Abstract of Labour Statistics of the United Kingdom*, 1907-1908 (Cd. 5041, 287 pp, 1s 3d), will be found all the latest statistics available for a complete survey of the conditions of labour—e.g. wages and hours, employment, strikes and lockouts, conciliation and arbitration boards, employers' associations, trade unions and co-operative societies, prices, profit sharing, industrial diseases and accidents, friendly societies, building societies and savings banks, population, housing, pauperism, and labour bureaux. In addition to the information given in former years, the present report contains tables of "Percentages unemployed in certain Trade Unions and Groups of Trades, 1860-1908," the "Meat Supply of the United Kingdom," "Wages and Earnings in 1906 in the Textile and Clothing Industries," and a summary of payments for compensation in certain industries in 1908. The labour bureaux statistics are derived from those under the control of the London Central (Unemployed) Body, and show that the average monthly number of fresh applications for employment was 13,133. Out of these an average number of 2074 obtained places. According to the table of fluctuations in employment 1908 was the worst year since 1886.

In continuation of Part III. of the first Report on wages and hours of labour, which appeared in 1894, and the Reports on Standard Time Rates in 1900 and 1906, the Labour Department of the Board of Trade has issued a report on the *Standard Time Rates of Wages in the United Kingdom at 1st October, 1909* (Cd. 4924, 123 pp, 6d). The trades reviewed include building, engineering and shipbuilding, printing, cabinet making, gas stokers, bakers, boot and shoe operatives, farriers, police constables, seamen, and agricultural labourers. The statistics are based mainly upon information supplied by employers' associations and trade unions, and give a good idea of the variations in wages in different districts. The general rate of wages in the South Midland district is the lowest in England, and Oxfordshire has the distinction of paying the lowest agricultural wages in the country, the average rate, including allowances, being 14s. 6d. per week. The highest wages for agricultural labour are paid in Northumberland and Durham—21s. 7d. and 22s. 2d. respectively, but these are only one instance of the generally high rate of wages prevailing in the north of England. Wherever agricultural wages come into competition with those of manufactures, such as in Lancashire, and the thickly populated districts of the north, they are as a rule much higher than in the purely agricultural districts.

A good deal of useful work is being done by the Commercial Intelligence Committee of the Board of Trade, whose report has been recently issued under the title of a *Report to the Board of Trade by the Advisory Committee on Commercial Intelligence* (Cd 4917, 15 pp., 2d) The Committee was appointed in 1899, "to inquire and report as to the best means of collecting and promptly disseminating accurate information on commercial matters" That the effort is appreciated is clearly shown by the increasing number of inquiries, which have risen from 1614 in 1901 to 11,267 in 1908 Among other methods of helping traders, the Committee supply classified lists of possible buyers of British goods in foreign countries and British colonies, give information to interested firms of foreign contracts open to tender, establish trade representation in India and the Colonies, and dispatch commercial missions. "Newly appointed consular officers, before proceeding to their posts, are now attached for a short period of service to the Commercial Intelligence Branch"

The first of a series, entitled *Preliminary Tables summarising the Results of the Returns received under the Census of Production Act, 1906* (Cd 4896, 37 pp., 4d), gives particulars relating to mines, cotton woollen and worsted, tinplate, and iron and steel trades, for the year 1907 The compilation of these tables necessitated the issuing of something like 12,000 schedules of questions to the various firms concerned, which employ nearly two million persons, and represent an output of nearly £210 millions in addition to the value of the materials used The questions were framed after consultation with a special Advisory Committee representing the various trades, and the result is a report full of valuable information regarding the trades reviewed It is interesting to note that, of 265,134,000 tons of coal raised, 63,601,000 were exported, or 24 per cent, and more than half this amount was steam coal There are three tables for each trade the first showing the output, the second the cost of material used, and the third the number of persons employed

The *Review of the Trade of India in 1908-9* (Cd 4912, 97 pp., 1s 3d) is not a mere collection of statistics, but a clear and comprehensive account of Indian industry in all its phases. Commencing with a concise summary of the climatic conditions prevailing during the year in various parts of the country, it traces their effects upon the crops, upon which the foreign trade of India entirely depends, so that by the time the reader reaches the actual figures he is in a position to grasp their full meaning The decline in oversea trade during the year under review is attributed to two causes—the general depression of trade throughout the world, and the insufficiency and bad distribution

of the rains. The brief comparative statement of the trade of the principal European countries during the same period might be read with advantage by those who imagine that the commercial rise of one country must mean the downfall of another

The exports dropped from £121 79 millions to £105 97 millions. Cotton, rice, jute, and seeds fell off heavily, but the greatest decrease was in wheat and wheat flour, from £6 millions to a little over £1 million. The United Kingdom is by far the most important customer for Indian products, absorbing 24 per cent of its exports, while China comes next with 12 per cent, and Germany with 10 per cent

The imports declined from £86 6 millions to £80 84 millions, but 1907-8 was a record year, and this year's figures are £8 millions higher than any record previous to 1907. The principal decrease was in manufactured articles, which form 48 per cent of the total imports.

The prestige of British shipping is shown by the comparative statement of vessels entering and clearing from Indian ports. The tonnage under the British flag, including the Indian register, was about 79 6 per cent of the whole. Out of a total of 5227 vessels, 4238 were British, while 437 were German, and 55 French. The report concludes with a chart, showing the variations in Indian rupee prices from the year 1861.

The *Report for the Year 1908 on the Trade and Commerce of the Consular District of Hamburg* (Cd 4446-150, 92 pp., 5d) affords an instructive reply to the continual accusation against Germany of dumping her surplus manufactures in this country. It seems difficult for the uneconomic mind to grasp the fact that, although in the United Kingdom the words "made in Germany" are so familiar, yet foreign-made goods are as common in Germany, and that international trade is an exchange of commodities. This fact is brought home by the present report. The imports from the United Kingdom during 1908 amounted to £26½ millions, while the exports to the United Kingdom came to something above £24½ millions. Turning to details, of imports into Hamburg from the United Kingdom, seven items reached a total of over £1 million each. These were coal, nearly £3½ millions, chemical products, over £1½ millions, sheep's wool, close upon £2 millions, cotton yarn, over £2 millions; woollen yarn, £3 millions, cotton, over £2 millions, and machines, £2 millions. Of exports from Hamburg to the United Kingdom, only one item reaches £1 million or more, viz sugar, which accounts for over £9 millions, or more than one-third of the total exports to this country. Examining the trade of Hamburg with the world, we find that her largest imports are from the United States, £28 millions, while the

United Kingdom comes next with £26½ millions, and India with £12½ millions. Of the exports, the United Kingdom takes £24½ millions, and the United States £13½ millions.

Merchants engaged in colonial trade can refer to the *Return relating to the rates of Import Duties levied upon the principal and other articles imported into the British Colonies, Possessions, and Protectorates* (Cd. 4874, 661 pp., 2s 9d.) This bulky volume illustrates the difficulties involved in the classification of every product of human industry for the purposes of taxation. In some cases it would require the services of an expert to define the particular class to which certain goods belong, and the efforts at minuteness sometimes border upon the ridiculous. For instance, in describing cotton manufactures for the Australian Commonwealth, the following two descriptive notes are given: "(a) When material is defined by selvedge or pattern for cutting up into separate articles it is not to be considered piece goods, but as dutiable under the heading applying to the article into which it is designed to be made. Tasselled, whipped (with or without loops) or taped curtain material when not defined for cutting up, is to be considered piece goods. (b) Boxed robes, not shaped or sewn, is defined as meaning sufficient material, either in one length, or short lengths, but not shaped or sewn in any way, to make one robe, including bodice and skirt. The material must be embroidered, stamped, printed, or designed in such a way as to clearly indicate that it is intended to be made into a single robe. Any portion not so embroidered, etc., is to be classified according to material." Surely such regulations must cause a vast amount of misunderstanding and friction between the customs officials and the public, and generally retard trade.

The *American New Customs Tariff* (Cd. 4856, 101 pp., 10½d.), adopted by an Act of Congress last year, is another example of the ingenuity necessary for the making of a scientific tariff, although it does not appear quite so complicated as some portions of the "Colonial Import Duties." For purposes of comparison the former rates are inserted side by side with the new. At the end of the volume is a substantial "free list," consisting principally of raw materials of manufactures.

By the same Act, "The Government of the United States have denounced the Commercial Reciprocity Agreements concluded with various countries under the provisions of section 3 of the Tariff Act of July 24, 1897, empowering the President to accord certain reduced rates of duty to argols, spirits, wines, and works of art, the produce of countries which, in his judgment, made reciprocal and equivalent

concessions to products of the United States." In the case of British works of art, however, those "which have been in existence more than twenty years prior to the date of their importation into the United States are admitted free of duty, and those not satisfying this condition pay 15 per cent *ad valorem*" The duties on metals and manufactures thereof have generally been slightly reduced, and those on cotton and woollen manufactures remain substantially the same as under the old tariff, although these are very heavy, reaching in some cases to 60 per cent. *ad valorem*.

An interesting account of a very important development in the State's care for the children of the nation is contained in the *Annual Report for 1908 of the Chief Medical Officer of the Board of Education* (Cd 4986, 169 pp., 8½d) It is prefaced by an historical sketch of the medical inspection of school children As long ago as 1812, James Ware published a report on the eyesight of school children at Chelsea and of Oxford students, but it was not until 1840 that any action was taken, when school doctors were appointed in some of the training colleges in Sweden In 1865 Norway followed by appointing a School Commission, and in the following year Hermann Cohn commenced his researches into the eyesight of over 10,000 children at Breslau In England, although many pamphlets had been written upon the subject, it was not until 1880 that anything was done In that year Dr Priestly Smith of Birmingham published an address on "Short Sight in relation to Education," based upon the examination of about 2000 school children and training college students

The London School Board took the initiative in active work by appointing a medical officer in 1890, and Bradford followed three years after In 1893 the Elementary Education (Blind and Deaf Children) Act was passed, and in 1896 a committee of the Education Department was appointed "to inquire into the existing systems for the education of feeble-minded and defective children not being idiots or imbeciles, and to advise as to any changes that might seem desirable." This Committee issued its report in 1898, and drew up a list of recommendations, beginning with the important proposal that "legislation should be initiated to lay upon every School Authority the duty of making arrangements (a) to decide what children, not being imbecile, are by reason of *mental or physical defect* incapable of receiving proper benefit from the instruction in ordinary schools, and (b) what children are unfit, by reason of *epilepsy*, to attend ordinary schools"

Following upon these recommendations the Elementary Education

(Defective and Epileptic Children) Act was passed in 1899. This Act, however, did not make provision for the education of epileptic children compulsory, but was permissive in character, and there are still 200 local education authorities who have not taken advantage of the Act. In this Act also, for the first time in this country, statutory powers were given to a medical officer in connexion with school administration. In 1903 a report was issued by the Royal Commission on Physical Training (Scotland). Amongst other important suggestions, the Commission, "recognizing the intimate relation between physical condition and malnutrition," recommended that "it should be one of the duties of School Boards and School Managers generally to inquire into cases of apparently insufficient feeding, that they should provide facilities for the provision of suitable food by voluntary agencies without cost to the public funds, and should co-operate with these agencies in the organization of this work."

The report of the Inter-Departmental Committee on Physical Deterioration was issued in 1904. This Committee "drew attention to the need for improvement in lighting, ventilation, and the seating accommodation at schools," and recommended that "a systematized Medical Inspection of School Children should be imposed as a public duty on every school authority." The Committee also recommended "that adequate provision should be made for the feeding of school children, utilizing first, and by preference, voluntary organizations under the supervision of the School Authority, and only admitting direct administration by the latter under special and urgent circumstances. The Committee held that every precaution should be taken throughout to maintain the responsibility of the parent in this matter."

A third inquiry was made by a Committee appointed in 1905 by the President of the Board of Education "(a) to ascertain and report upon what is now being done, and with what result, in respect of Medical Inspection of children in Public Elementary Schools," and "(b) to inquire into the existing arrangements of voluntary agencies for provision of meals to school children, and to report as to the possibility of its better organization." Following upon the report of this Committee came the Education (Provision of Meals) Act of 1906, giving power to local education authorities to provide school children with meals. The Authority was, however, not allowed to purchase food, unless private funds were not available or were inadequate. In this case the Board of Education could authorize the spending out of the rates an amount not exceeding a halfpenny in the pound. By a clause in Mr. Birrell's Education Bill of 1906, it was

proposed that power should be given to the local authority "to make such arrangements as may be sanctioned by the Board of Education for attending to the health and physical condition of the children educated in public elementary schools." But owing to the failure of this Bill nothing happened till 1907, when the Education (Administrative Provisions) Act was passed, by which the duty was laid upon the authority "to provide for the Medical Inspection of children immediately before or at the time of, or as soon as possible after, their admission to a public elementary school, and on such other occasions as the Board of Education direct, and the power to make such arrangements as may be sanctioned by the Board of Education for attending to the health and physical condition of children educated in public elementary schools." This Act necessitated the formation of a Medical Department at the Board of Education.

Among other subjects dealt with in the Report are the "Administration of Medical Inspection by the Local Education Authorities," the "Physical Condition of School Children as revealed by Medical Inspection," the "Action taken by Local Education Authorities in respect to Medical Treatment," the new "Syllabus of Hygiene," the "Special Schools for Defective Children," and "Open Air Schools."

All who are interested in the welfare of our Indian Empire will read with pleasure the *Memorandum on some of the Results of Indian Administration during the past Fifty Years of British Rule in India* (Cd 4956, 34 pp, 3½d). It is a revised edition of the Memorandum issued in 1889, and is brought up to date by the inclusion of the events of the last twenty years. In 1858 "the Indian Government had to face the administrative, financial, and military troubles that resulted from the mutiny of the Bengal Army." After this came, in 1878-80, the Afghan War, and in 1885-86 the third Burmese War. In 1897 there were risings on the north-west frontier, and in 1904 the trouble with Tibet. The only additional territories added to British India during the last fifty years are "a narrow strip of land at the foot of the Bhutan Hills, the districts of Peshin and Sibi, acquired after the Afghan War, and the kingdom of Mandalay, now forming Upper Burma."

One of the significant developments in Indian administration is the employment of natives in the public service. Fifty years ago there were no Indians in official positions, but now several occupy prominent positions in the Courts, the Legislative Council, and the Civil Service. With regard to its legislation, no less an authority than Sir Henry Maine has said, "The progress of India in the simplification and intelligible statement of law has been greater than that of any Western

country, except perhaps the German Empire British India is now in possession of a set of codes which approach the highest standard of excellence which this species of legislation has reached

British India has thus become one of the few countries in which a man of moderate intelligence, who can read, may learn on any point emerging in practical life what is the law which should regulate his conduct."

A great improvement has been effected in the land revenue system. "The periodical settlements of the land revenue used to occupy from four to ten years in each district, and to cost Rs 400 per square mile, while they invoked considerable harassment to the people." This process now occupies from one to three years only, and costs Rs. 100 per square mile The increase in the gross land revenue during the last fifty years has been 60 per cent, measured in rupees

By an arrangement with the Chinese Government the export of opium to China has been reduced, and further reductions are contemplated, provided that China limits her production proportionately In 1880-81 the opium revenue amounted to about £7,000,000, but the estimate for 1909-10 is about £3,300,000

In many other ways the Government has been active in its endeavours to do the best possible for the people of India The preservation of forests now occupies the attention of many skilled men, and 92,000 square miles of forest have been marked off as reserves, and are managed as public properties for the benefit of the country The post-office has been modelled upon the English system, savings banks have been established, and the telegraph department, which in 1857 owned 3000 miles of line, now operates over 69,000 miles Hospitals have been built in most parts of the country, and a great stride has been made in sanitation In 1865 there were 19,201 schools, with 619,260 scholars By 1907 this number had increased to 165,473 schools, with 5,708,000 scholars The public debt, which after the Mutiny was £93 millions, has been reduced to £38½ millions In 1857 there were 300 miles of railway, now there are about 30,983 miles These railways employ 525,000 persons, of whom over 508,000 are Indians Canals and irrigation works have been constructed on a large scale, and a great amount has been spent upon road-making All these improvements have naturally had a great effect upon trade. The imports and exports for 1858 amounted to £39¾ millions. In the year 1907-8 these had increased to £202 millions.

This fine record, of which the British nation may well be proud, fitly closes with His Majesty's proclamation of November 2, 1908 "Half a century is but a brief span in your long annals, yet this

half-century that ends to-day will stand amid the floods of your historic ages, a far-shining landmark. The proclamation of the direct supremacy of the Crown sealed the unity of the Indian Government and opened a new era. The journey was arduous, and the advance may have sometimes seemed slow, but the incorporation of many strangely diversified communities, and of some three hundred millions of the human race, under British guidance and control has proceeded steadfastly and without pause. We survey our labours of the past half-century with clear gaze and good conscience."

J. L. DOUGAN

REVIEWS.

THE CRISIS OF LIBERALISM New Issues of Democracy
By J A HOBSON [xiv, 284 pp 8vo. 6s net King
London, 1909.]

Mr J A Hobson is admittedly one of the most thoughtful as well as most independent of contemporary publicists, and his reflections on the "Crisis of Liberalism" and the "New Issues of Democracy," are entitled to rank among the most significant and illuminating contributions to the questions of the moment. The crisis, as conceived by Mr Hobson, "consists in the substitution of an organic for an opportunist policy, the adoption of a vigorous, definite, positive policy of social reconstruction, involving important modifications in the legal and economic institutions of private property and private industry." Starting from the recognition of a "new crystallization" of Liberal policy as displayed in the anti-destitution and insurance proposals of the Government (to which substance has been already given in Old Age Pensions, Wages Boards, and Labour Exchanges, in the public provision for the development of our natural resources, in the Small Holdings and Town Planning Policy, and in the financial claims of the State to participation in "unearned increments"), Mr Hobson concludes that "Liberalism is now formally committed to a task which certainly involves a new conception of the State in its relation to the individual life and to private enterprise." Mr Hobson is careful to point out that this is not Socialism, "in any accredited meaning of the term," though implying a considerable development of public ownership and control of industry. He prefers to regard the movement from the standpoint of its continuity with earlier Liberalism, and he is consistent throughout in discovering the essence of the new movement in "a fuller appreciation and realization of individual liberty contained in the provision of equal opportunities for self-development," subject to the adjustment of these claims or rights of self-development to "the sovereignty of social welfare." Mr Hobson is nothing if not liberal and democratic, and it is the consistency with which he develops this position which constitutes the merit and, as it may seem to more systematic Socialists, the limitation of his statement of the issue.

In the first section of his volume Mr Hobson endeavours to indicate the place which the conflict around the Lords' veto occupies in the larger struggle for democratic government, and the stress of the argument falls on the necessity of associating the destruction of the veto with other important reforms in our electoral institutions, and more particularly with "a measure which shall associate the people more directly with the art of government, by assigning to it the power of mandate which the Lords falsely pretend that it possesses" The case for a Referendum has rarely been stated with such wealth or skill of argument The weightiest, as assuredly the boldest, claim for the Referendum is placed by Mr Hobson in the education it gives to the people in the art of government "Some amount of regular responsibility for concrete acts of government is surely as essential to the education of a self-reliant people as well as of a self-reliant individual", and if the people make mistakes, they will have more opportunity of making and learning from their mistakes under the Referendum than under "purely representative" government This argument is interesting in more ways than one It is a remarkable testimony to the enduring influence of Rousseau, but it is also an equally remarkable illustration of the extent to which political science is "the playground of analogies." Mr Hobson rests his case for a "real democracy" upon the conception of society as an organism It is on precisely the same conception, differently construed, that Mr J. R Macdonald, in his notable book on *Socialism and Government*, rests his case against the Referendum

Readers of the *Economic Review*, however, will be mainly interested in Mr Hobson's conception of the policy of social reform which lies behind the issues of constitutional reform, and of the relations between the new Liberalism and Socialism As already indicated, Mr Hobson approaches this question from the standpoint of the individual rather than from that of the community Mr Hobson would probably recognize that either point of view taken by itself is an equally futile and unmeaning abstraction On the other hand, they can be distinguished, and Mr Hobson is so far justified in feeling that "Liberalism will retain its distinction from Socialism, in taking for its chief test of policy, the freedom of the individual rather than the strength of the State, though the antagonism of the two standpoints may tend to disappear in the light of progressive experience"—even if we might demur to the precise terms of the antithesis. In view of certain mechanical conceptions that tend to beset the ordinary presentation of collectivism, there is much to be said for Mr Hobson's method of approach. on the other hand, a more philosophical

treatment would point to a synthesis in which these familiar antagonisms would be reconciled in such a way that, as Professor Jones puts it in his volume on *The Working Faith of a Social Reformer*, the "coming of Socialism" may, with equal truth, be regarded as the "coming of Individualism." In other words, the functions of the State and the city on the one side and those of the individual on the other have grown together. The difference is mainly a difference of emphasis. Both thinkers no doubt would agree that the criterion of the action of the State is the effective freedom of its citizens, but Mr Hobson's attempt to find the sole and exclusive warrant of State action in "accepted principles of individual liberty" and in "equality of opportunity," does tend to obscure the converse side of the truth—that "the sovereignty of the individual's will and all its sacredness comes from its identification with a wider will." The individual rather than the citizen is the unit of Mr Hobson's political thinking—the "right" of the individual rather than the "right" of the State.

Mr Hobson's charter of social reform, then, is a charter of individual liberty, and the social question is envisaged as a question of "equality of opportunity" rather than that of a "national minimum." We need, says Mr Hobson, a new People's Charter with six new points, all of which may be regarded as forms of "equal opportunities of development and social aid"—equal access to land, to means of transport, to credit and insurance, to education, to justice, and to the taxation of monopolies and inequalities—to which, in another passage, is added equal access to whatever new form of industrial power, electric or other, that may be needed to co-operate with human effort. Mr Hobson can also describe this distribution of opportunity as "Socialization", but he is careful to point out that it differs from "what can be called full or theoretic Socialism." It aims primarily "not to abolish the competitive system, to socialize all instruments of production . . . but rather to supply all workers at cost price with all the economic conditions requisite to the education and employment of their personal powers for their personal advantage and enjoyment." But is this a sufficient account of the matter? Does, for example, the whole issue of nationalization of railways depend upon it being recognized as "a reform warranted by the most accepted principles of liberty"—the right of mobility? How far, again, does "equality of opportunity" really carry us? One of the most striking chapters in Mr Hobson's book is that in which he denounces with relentless vigour and persistence the philosophy of the Charity Organization Society, but considered in the light of his general social philosophy,

it does not appear that Mr Hobson's own position is so very far removed in principle from that of Mr Bosanquet and Mr. Loch, it is rather their conception of means and methods, and still more, perhaps, their conception of "facts," that his criticism affects. It is, again, characteristic of Mr Hobson to endeavour to discover the practical and theoretical limits to collectivism. All that Mr Hobson has to say under this head is pertinent enough. There is hardly, for example, too narrow a limit to the function of a weak State or a corrupt city, but a discussion of theoretical limits, useful as it is to a certain point, seems to be of more academic than practical importance. In any case, it is somewhat hazardous to anticipate, still more to limit, the different forms in which the co-operation of the State with the individual may take effect. The difficulty about all social and political ideals is that they must include men and women as well as institutions, and there can therefore be no finality about them. The general tendency of Mr Hobson's thinking is to put rights before duties, and to depreciate, or at any rate to ignore unduly, the part which different forms of co-operation and combination are destined to play in the progress of society. The note of individualism seems to overpower the note of association in the "new Liberal" refrain.

Taken as a whole, the different articles which Mr Hobson has put together in this volume do not represent as coherent a philosophy of social reform as might appear on the surface. They are almost too occasional to be quite central. A restatement of Democracy and a restatement of Socialism are equally imperative needs. Mr. Hobson has made a timely and valuable contribution to both, but neither appear to me to be quite the restatement that is wanted. Truth advances, however, by incomplete views, and there can be no doubt that Mr Hobson has put the truth in the form that is most immediately wanted, and in a setting that is at once appropriate and attractive. Nor could anything be better than the last chapter in which he endeavours to find a common denominator in "the various efforts at enlightenment, reconciliation, and reconstruction, presented in religion, politics, art, science, and literature." According to Mr Hobson, all these endeavours may be brought under the common denomination of "Realism" or "the following of fact", and what is needed is not so much "a system of thought" as "a single spirit in the conduct of life." The term which Mr Hobson gives to that "striving of head and heart which is replacing the dissipation and distraction of the earlier rationalism" does not so much matter, it might equally well be described in terms of social idealism. But, however it may be formulated, we may say of such a movement what Goethe

said of religion—it is “that which, more and more deeply felt, unites us more and more”

This is emphatically a volume of challenge, and as such is admirably calculated to arouse the most self-complacent of politicians from his dogmatic slumbers

SIDNEY BALL

A HISTORY OF MEDIÆVAL POLITICAL THEORY IN THE WEST By R W CARLYLE, C I E, and A J CARLYLE, M A, Lecturer of University College, Oxford. Vol II, THE POLITICAL THEORY OF THE ROMAN LAWYERS AND THE CANONISTS, FROM THE TENTH CENTURY TO THE THIRTEENTH CENTURY By A J CARLYLE [xix, 274 pp 8vo 7s 6d Blackwood Edinburgh, 1909]

When we reflect that it is quite a century ago since Romanticism began to rediscover the meaning of the Middle Ages, and that more than seventy years have passed since Comte set about translating the artistic perception into the language of historical science, it must seem remarkable that mediæval political thought has had to wait so long before we realized its place in the development of humanity. In Oxford and Cambridge “political philosophy” has meant, until quite recently, first Plato and Aristotle, and then Hobbes, Locke, and Rousseau, Bentham and Austin—nineteen centuries dropped completely out of the reckoning, except when one happened to remember Maine’s reference of the law of nature to the Roman juriconsults. Bruntschli’s history started with the sixteenth century, Green’s lectures on Political Obligation began with Spinoza, Sir Frederick Pollock’s brilliant essay omits all the Middle Ages before Dante. Neither Janet’s solid treatise nor Dr Poole’s illuminating chapters succeeded in widening the range of current academic interest. I think I am right in saying that it was Matland’s translation of a fragment of Gierke, with his own learned and vivacious introduction (1900), which first made us wake up in England to the still-living interest of mediæval political theory.

And once being awakened to the importance of the subject, we can hardly be too grateful to Mr Carlyle for a volume such as the present. Here the political and social doctrines of civilians and canonists from the tenth to the thirteenth century are set forth, systematically, soberly, competently, as part of that comprehensive history of the whole of mediæval political thought which he has undertaken in conjunction with his brother. In Part I the Roman lawyers of the Middle Ages are dealt with, down to Accursius, and in separate chapters their general doctrine of law and of natural law, their views on

slavery and property, on the source of authority, and on the relations of Church and State, are exhibited with care and fullness, and with abundant citation in the notes of the more significant passages of the original texts. Part II, in similar order considers the same subjects as they are dealt with by the canon law and the canonists. As they pass from chapter to chapter, those who know Mr. A. J. Carlyle's warm and eager interest in the like issues of our own day will feel a growing admiration for the spirit of impartial objectivity in which he has done his work. What he has evidently aimed at doing is to put down clearly and beyond cavil just what the civilians and canonists of each age and school did in fact maintain, and what is even more important, to reproduce it, as far as possible, in its original setting, with all its pedantries, its ambiguities, its amazing combination of technical precision and casualness. What it all meant, what were its relations to actual life either as effect or as cause, Mr. Carlyle leaves his readers to conclude for themselves. And in so doing he has perhaps acted wisely. Before we set about judging the civilians and canonists, we must get to know them.

So far as Mr. Carlyle has any "tendency" at all, it is a very commendable inclination to give the writers he is considering, and especially the canonists, as cautious and reasonable an aspect as the texts will allow. It is, no doubt, "extremely important"—as he justly remarks—"to distinguish between phrases representing the carefully considered judgment of the authorities of the Church and phrases used in the heat of controversy" (p. 214). But it does not follow that we are bound to take even the most official utterances of the authorities, any more than the preambles of English statutes, simply at their face value. Thus, when Innocent III. claimed to arbitrate between the kings of France and England, and appealed, *inter alia*, to a supposed decree of the Emperor Theodosius "under which any party to a suit might, even without the consent of the other party, appeal to the bishop" (p. 219), it is certainly "very necessary that we should observe carefully the grounds upon which Innocent rests his claim" (p. 221). But to say that this is "the appeal to a legal ordinance," and not "a claim to act as one possessing a political authority superior to that of the temporal sovereign" (p. 222), may easily mislead. Theodosius (or Constantine, for it seems to have been a law of his that is really in question) certainly never contemplated a situation such as Innocent had in his mind, and Innocent was certainly not set in motion by the existence of the text referred to. Innocent, of course, thought it right to adopt a certain attitude to the secular powers of the day because of his conception of

his duty as head of the Church, but then he looked round, as all men of the Middle Ages did, for written texts to support him. And, accordingly, the less guarded language of non-legal writings may sometimes reveal the real inwardness of claims that, in their formal presentation, are quite surprisingly cautious and guarded.

In the remaining volumes of the work, the authors will probably continue their unemotional and, one might almost say, impersonal presentation of mediæval teaching, with nothing of their own in the way of "appreciations" to drive away readers of any conceivable school of thought. But I venture to hope that, some time or other, they will make an opportunity to tell us what they think has been the contribution of the canon law to human progress. I have myself done what I could to find a rational and tenable meaning for one great chapter of canonist teaching—that concerning Usury, and therefore I shall not, perhaps, be suspected of sharing that attitude of contemptuous superiority which the last generation used to assume towards the thoughts of the Middle Ages. Still, I should like to know how men like our present authors, in touch alike with mediæval and with modern thought, would answer such a question as this: Did the mediæval doctrine rest on principles so profound and permanently true as to be capable of a development parallel to that of society and adequate to its needs, or did it leave out such large elements of human character as inevitably to get out of relation to real life? Take slavery, for instance. In a very true and vital sense slavery was destroyed by Christianity. But did the canonist doctrine itself, which Mr Carlyle here sets forth with anxious care, on the whole help or hinder? Las Casas, in the sixteenth century, learnt what Salamanca could teach him of theology and "both laws"; but it was not from these that the impulse came to attack the new slavery then being created in the West Indies, it was a fresh and individual inspiration which reached him directly through the Bible words, "He that defraudeth the labourer of his hire is a shedder of blood." Will some American scholar tell us whether the official teaching of the Roman Catholic Church in the Southern States of America was of any help to the abolitionists? "The mediæval canon law repeated from earlier Church authorities," as Mr Carlyle is compelled to tell us (p. 122), "the very severe condemnation of those who encouraged slaves to fly from their masters, and of fugitive slaves." Centuries later, the Epistle to Philemon was used in the Southern States as "a triumphant justification of the Fugitive Slave law" (Rhodes, i. 370). One would like to know whether the Roman seminaries of America were as silent or as acquiescent as the Protestant divinity schools.

Or take the institution of property "Jure naturæ sunt omnia communia omnibus," said Gratian "Merito universitas generis humani, studiose naturam intuens, in ipsius lege naturæ fundamentum reperit partitionis bonorum," said Leo XIII (*De Conditione Opificum*, 1891) Is Professor Brentano right when he finds here "a complete reversal of a thousand-year-old Church teaching"? I dare say a modern canonist could reconcile the two positions, but it certainly looks as if even Leo XIII felt he could no longer appeal to the mediæval conception of the consequences of the Fall

W J ASHLEY

A PROJECT OF EMPIRE A Critical Study of the Economics of Imperialism, with special reference to the ideas of Adam Smith By J SHIELD NICHOLSON, M A, D Sc., F B A Professor of Political Economy in the University of Edinburgh [xxv, 284 pp 8vo 7s 6d, net. Macmillan London, 1909]

Professor Nicholson's brilliant and interesting book has a double purpose to serve He aims, first, at placing Adam Smith's attitude in regard to national and imperial problems in what he conceives to be its true light, and secondly, at applying the general conclusions arrived at to the burning questions connected with the relations between England and her Colonies at the present time Adam Smith had held, in his day, that Great Britain possessed "not an empire but the project of an empire, not a gold mine, but the project of a gold mine," and the same, in Professor Nicholson's view, is true of the British Empire at the present moment Hence the title of the book, *A Project of Empire* Like his illustrious master he is of opinion that economic thought can be directed to no worthier object than to that of devising means by which the project of an empire may be converted into a realized fact

List and other continental writers have been, no doubt, prone to confound both the personality and the doctrines of Adam Smith with those of his successors. They speak of him as if he were as arid and abstract as Ricardo and as cosmopolitan as Mill In correction of this view Professor Nicholson has little difficulty in establishing the truth, which, indeed, is fully recognized already by most English readers, that, as regards speculation, the famous economist was quite conspicuous for his love of concrete instances and living issues, and, as regards sentiment, for the ardent character both of his nationalist and imperialist patriotism The references made to the *Wealth of Nations* during the course of the recent tariff controversy have, as

we know, brought into considerable prominence Adam Smith's estimate of the vastly superior advantageousness to a State of the home trade over the foreign, and we have to reconcile, as best we can, his reasoning on this point with the Free Trade teaching of the chapters with which his fame is more generally associated

Professor Nicholson's own views on the question of the desirableness of taking such steps as are possible to bind the empire together by means of preferential tariffs gain, of course, a greatly added interest from the fact that he himself has been, up to the present, a vigorous and effective champion of Free Trade, and that he was one of the fourteen economists who signed the celebrated memorial to the Government on the subject seven years ago. Such a fact makes us ask ourselves whether theoretical opinion is beginning to change in the wake of the undoubted alteration in public feeling in regard to that question. Undoubtedly it is to the writer's credit that he preserves, to some extent, an open mind on the subject. The preferential aspect of Tariff Reform is certainly its most interesting one. The fact of the suggestion being made in influential quarters that the door should be banged and barred and bolted in the face of the more or less indefinite Colonial overtures can only force home upon us the reflection, with how little wisdom the world is governed.

At the same time, in regard to colonial sentiment on the subject, Professor Nicholson's views are certainly far too sanguine, and his information perhaps hardly adequate. If he had recently visited either Canada or Australia, it is inconceivable that he could have written of the establishment of inter-imperial free trade as if it were among the possibilities of even a moderately remote future. Canadians are never tired of congratulating themselves on the adoption of the "National Policy," by Sir John Macdonald's Government of twenty years ago. Their newspapers are continually telling us how local manufactures have grown and flourished since American goods have been to a great extent excluded. There is no question that they would dread an invasion of cheap products from Great Britain quite as much as one from the United States, or more indeed, as British goods are produced under a régime of lower wages. Nor can it be denied that such a development, though perhaps a benefit to the farming interests, would be for the manufacturers and their employees a very real disaster. If it was realized, many large establishments in the textile and other trades would have to close their doors, and thousands of hands would have to be dismissed. Professor Nicholson's proposal, it must be said, is to bring about inter-imperial free trade gradually, but a policy fraught with such consequences, though

impending only in the distant future, would never be welcomed by Colonial sentiment.

The consolidation of the empire, however, belongs rather to the realm of politics than to that of economics. The specially economic interest of the book centres round the chapters in which the writer deals with Adam Smith's reasoning on the relative advantageousness of the home trade over the foreign. All our veneration for Adam Smith can hardly prevent us from concluding that this reasoning, in the precise shape at any rate in which he presents it, is not tenable. Messrs Lilly and Devas, though Protectionists themselves, in the introduction to their reprint of Mr Justice Byles' *Sophisms of Free Trade*, which adopts and extends it, frankly label it "The Home Trade Fallacy." They incur Professor Nicholson's censure for doing this, but it is assuredly to the credit both of their candour and of the soundness of their judgment that they should have done so. Adam Smith argues, it will be remembered, that a transaction under which goods are sent from Edinburgh to London and return goods are brought back to Edinburgh is necessarily twice as advantageous to the country as one under which goods are sent to a foreign country such as Portugal and a return cargo is brought back. His reason is that, in the first instance, as he puts it, two capitals within the country are "replaced," in the second only one. But why stop at transactions between Edinburgh and London? If the argument is valid at all, then it must follow that a trading exchange between Edinburgh and Leith would be twice as advantageous—to Midlothian at any rate—as one between Edinburgh and London, and that one between the High Street and the Cannongate would be twice as advantageous to Edinburgh itself even as the latter. His line of argument leads him to neglect altogether the question of the relative profitableness of the transactions compared. It is obvious, however, at a glance that it is the profit on transactions alone that furnishes the fund for the employment of labour. The mere fact of exchanges being made, apart from the profit on them, furnishes no such fund at all. Profitless exchanges, no matter how numerous, would at once, of course, be followed by a cessation of production. He is misled, it seems to me, by his attempt to view commercial transactions as barter pure and simple. If he had regarded them in their monetary aspect he could hardly have neglected the importance of the degree of profit that attends exchanges in estimating their advantageousness to the country in which they take place.

While this is true of Adam Smith's argument as presented in the fifth chapter of the second book of the *Wealth of Nations* it must, I

think, be admitted that, on the question of the relative advantageousness of the home and foreign trade recent economic reasoning certainly goes too far in the opposite direction. We find the argument continually doing duty in Free Trade speeches and literature that it cannot matter in any circumstances whether any given sum of money is expended on home products or on imports, because the imports will, in the end, be paid for, not in metallic money, but in goods which are the product of British industry, and in the creation of which British labour will have to be employed. The argument sounds, on first presentation, very plausible, but surely it proves a great deal too much. One can, after all, readily enough think of cases in which a transfer of expenditure on a great scale from home products to imports would be in the highest degree disastrous to a country even though, after the transfer or before it, imported goods were paid for by exported goods. Take the simplest case possible. Suppose the owner of an island had a tenantry of small farmers, and, being a man of simple tastes, spent his rents mainly at home, on yachting, shooting, gardening, building, etc. He would necessarily employ a large staff. It might be so large a one that the requirements of its members would absorb the whole produce of the farmers. Suppose again that, on his death, his son was led into spending the money received from his tenants chiefly on foreign luxuries, the staff would of course be dismissed, and the farmers would lose their home market. The foreign luxuries would, however, be still paid for in the end by the produce of labour in the island, but now, in order to raise the money to pay their rents, the farmers would have to sell their produce to outsiders for whatever they could get. Their loss thus occurs in the fact of their being deprived of the home market which had sustained the value of their produce, and the possibility of similar loss cannot, in any circumstances, be left out of our calculations, nor can it be refuted by the undoubted fact that imports will still be paid for by exports. The loss, at the same time, may of course be overborne by other advantages, and, indeed, it may fairly be argued that, in the case of Great Britain at present, the statistics of trade and industry point to the conclusion that it is so overborne. The question, however, cannot be decided by deductive reasoning, but must be by a detailed investigation of the great mass of complicated facts that bear on the question. Professor Nicholson therefore is, no doubt, right in his contention that the whole question is one that is eminently suited for being made the subject of an inquiry by a Royal Commission.

SOCIAL RELATIONSHIPS IN THE LIGHT OF CHRISTIANITY. (Hulsean Lectures for 1909-1910) By the REV. W E CHADWICK, D.D., B.Sc. [344 pp Crown 8vo 5s net. Longmans. London, 1910.]

This admirable book is dedicated to the memory of Bishop Westcott, the first President of the C.S.U., and it may, in fact, be fairly described as the fruit of his teaching. Dr. Chadwick shares the Bishop's characteristic convictions and his large outlook upon social and civic life. Moreover, he speaks with the authority of one whose wide and diversified reading has been supplemented by practical experience of work in a large town-parish. In this respect he fulfils his own ideal of the qualifications necessary for a writer on social subjects.

"Some," he says, "have a considerable knowledge of Christian truth, the result of long and deep study of the Bible, others have a wide knowledge of actual conditions and actual needs gathered from long experience and careful investigation of the lives and homes of different classes of society. But only rarely do we find these two kinds of knowledge in combination. Yet a knowledge of life is essential for discovering the full meaning of the deep truths of revelation, so, just as surely, a deep insight into the real significance of these truths is necessary before they can be safely employed as inspirations and guides to action or conduct" (pp. 302, 303).

The book is concerned with the fundamental "relationships" of civilized society "those of the family, those of the world of commerce, those within the Church, that of the citizen to the State, and that of one State or nation to another." These are dealt with in the light of present conditions, and in that of the ethical teaching of the Old and New Testaments. In the last lecture the writer discusses possibilities of reform, and very rightly lays special stress on the great importance of the study of psychology in connexion with social problems, a branch of knowledge from which, he says, "in the near future we may learn far more how to use or apply the various forces with which our nature either is endowed, or may be endowed, to the highest and best advantage" (p. 304).

In a book so comprehensive in its scope, and so thorough in its treatment of a many-sided subject, it must suffice to notice two points. In the first place, I am grateful to Dr. Chadwick for his insistence on the fundamental place of the *home* in national life. He points out in a useful note how absurd is the assumption that "Socialism" is necessarily connected with attempts to weaken or destroy home life, those who cherish this delusion will be reassured by the passage

quoted from Mr J R Macdonald's work on *Socialism*. And he expresses, as the outcome of his own parochial experience, his conviction that a society on the lines of the "Mothers' Union" is needed "to teach fathers to discharge the duties and responsibilities of fatherhood. We want it in the homes of the richest and of the poorest, only in these latter homes we must see that the possibilities of discharging the duties of fatherhood exist. The national life is made in the home. There order and obedience, there respect for authority, there the moral virtues—the true foundations of civic life—are first and most perfectly learnt. But in thousands of well-to-do homes in England to-day fathers are either shirking their responsibilities, or they are delegating them entirely to various professional parents, while in tens of thousands of poor homes the father, often in the first instance by no fault of his own, is actually debarred by what are termed "circumstances" from providing for even the physical needs of his children. Time goes on, unemployment, long-enforced idleness, has produced deterioration of character. He becomes an idle loafer, possibly a wastrel, dependent on the earnings of, if not his wife, of his boys and girls. The clergy are called upon to teach these boys and girls to "honour" their father, *that father!* Only in judging him remember that in many cases that father has become what he is largely owing to a system for which each one of us is to some degree responsible" (p 187).

The other point to which attention may be drawn is Dr Chadwick's view of the function of the State, and of the relation to it of the individual conscience.

"The State is actually becoming, if not the direct, yet, at least, the indirect means for promoting a higher morality. To-day we are constantly working more and more *through* the State for the abolition of much that tends toward immorality, and for the promotion of conditions in which the living of a moral life by all classes, but especially by the very poor, may become much more possible. This should be the issue of all laws for the promotion of temperance, for the better housing of the people, for reducing the hours of labour, and for requiring at least a living wage, in short, for the removal of various forms both of disability and temptation. And the right relationship between the citizen and the State will be seen, not only in his efforts to promote legislation having this object, but to secure its due administration. The greatest of all dangers lies in the slackness, in the want of the discharge of the responsibility of the individual. To rouse citizens to do their duty so far as to see that the conditions of life are, through the State, made such that it is

as easy as possible for every one to do right, and as hard as possible for any one to do wrong, is one of the most urgent of all present duties" (pp 290, 291)

Dr Chadwick touches upon many subjects—not a few of them what may be called "burning" topics, but in no instance does he write without knowledge, thoughtfulness, and the true Christian temper. Many of his warnings and hints are directly addressed to the clergy, but no one who is interested in social subjects can fail to profit by the study of a book so practical and so well-balanced in its teaching. It may be added that the notes appended to the lectures are valuable, and display a very wide range of reading.

R L OTTLEY.

INDIA AND THE TARIFF PROBLEM By H B LEES SMITH
[vii, 120 pp Crown 8vo 3s 6d net Constable London,
1909.]

The position of India in the various schemes for imperial preference has already been subjected to considerable discussion. First came Lord Curzon's extraordinary despatch of October 22, 1903,¹ indicating the views of the Government of India as to preferential tariffs. This was followed by the publication of books by Sir Roper Lethbridge² and Mr Webb,³ both ardent Protectionists. On May 22, 1908, Lord Curzon, speaking in the House of Lords, explained that the objection of the Government of India to the policy of fiscal retaliation, as set out in the despatch of 1903, was due, not to a dislike of such a policy in itself, but to a fear lest, having once adopted it, they should be compelled to use it in the interest of England rather than of India. Next we have Memo 38 of the Tariff Commission, and finally the book by Professor Lees Smith now under review.

A brief outline of the author's conclusions may be permitted. More than three-quarters of the whole population of India, he points out, depend upon agriculture for their livelihood. This is undesirable, because it perpetuates intellectual stagnation and causes the prosperity of the country to depend too largely upon the adequacy of the rainfall. A survey of the economic advantages possessed by India leads to the conclusion that, under existing conditions, considerable industrial progress may be expected, but not to such an extent as has taken place in England. Would it be profitable to impose protective duties in order to hasten this progress? After an examination of the principal industries of India our author concludes that only two industries—tobacco and iron and steel—are sufficiently "infantile," and possess

¹ Cd 1931

² *India and Imperial Preference*

³ *India and the Empire*

sufficient virility to merit artificial encouragement, and that the advantages to be expected from the adoption of protective duties are small. The probable disadvantages, on the other hand, are great, decaying industries will be preserved at the expense of the whole country, and commerce will be withdrawn from the stimulating effects of free competition which alone can be relied upon to cure Indian men of business of their conservative and unenterprising methods. If, however, the people of England were to abandon their present free trade principles, they could not in common justice (so says our author) refuse to allow to the Government of India the liberty to impose such import duties as it wished, and this liberty would in all probability be used in a way which would give a serious blow to English trade.

I cannot but think that Mr Lees Smith would have been more convincing had he kept closer to facts. Sir Roper Lethbridge is right when he says "Every intelligent man, be he Indian or European, knows full well that, so long as the House of Commons retains any authority over Indian administration, the idea of India imposing protection against Lancashire goods and other British-made commodities is an idle and mischievous dream." It is ridiculous to suggest that a Government which is appointed by, and derives all its powers from the people of England, can be trusted to act entirely in the interests of the people of India. Nevertheless, Mr Lees Smith has done well in drawing attention, though indirectly, to the anomalous position which India would occupy as member of an imperial custom's union.

Every student of Indian finance should welcome the opportunity of seeing this subject treated by a free trader. The book is short and clearly printed, with full references and an excellent index.

D. A. BARKER.

JESUS ACCORDING TO ST MARK By J. M. THOMPSON,
Fellow and Dean of Divinity, St Mary Magdalen College,
Oxford, Examining Chaplain to the Bishop of Gloucester.
[287 pp Crown 8vo 5s net Methuen London, 1909]

This is a book remarkable for the candour and independence, the clearness of expression and courage of thought, with which Mr Thompson has aimed at setting out simply and plainly the picture of our Lord's life and teaching conveyed to his mind by the Second Gospel. On matters outside the scope of the *Economic Review* it will raise many questions which critics and theologians must discuss. Among such questions will be those concerning the interpretation of our Lord's words and of occurrences in the Gospels, the advantages and disadvantages of isolating one Gospel so fully from the others,

the extent to which St Mark's Gospel postulates what is supplied in the other two Synoptic Gospels and in the Fourth, the consistency of our Lord's special office as Teacher with the degree of ignorance which is here ascribed to Him, the compatibility of the sinlessness and penitence in Him which are both affirmed, and the possibility that some parts of the book may eventually need revision in the light of the emphatic assertion of His deity with which it ends. All such questions require discussion, and the book shows that Mr Thompson is not the man to shirk it.

But the only part which calls for notice in the pages of this *Review* is that on our Lord's "social outlook." Mr Thompson himself describes his conclusions on this subject as "startling," and they will be thought so by many. He is of opinion that our Lord "used His healing powers, as He would have used money, indiscriminately," since He regarded "charity as an exercise of religion, and not as a method of reform", that "He took no interest in social questions as we know them," and "thought that the present world was coming to an end in a few years", that "His regenerated society" "was quite outside and alien to the present order of things", that, while His "principles" "can be applied to social as well as to other problems," "any such development will be outside the limits of" His "own authority and expectations", and that to Him "the future life was the true reality, and the present world no more than the veil that must be rent before one can pass into the presence of God."

Now, it is certainly true that the right method of using the teaching and example of our Lord in regard to social matters is by the application of principles involved in what He said and did, and also that to Him "the future life was the true reality", but it does not follow that such application of principles is outside His "authority and expectations," or that the present life was regarded by Him as unimportant. There are indications in St Mark's Gospel itself—especially in the saying about the ignorance of the day and hour, the warning of the many possible times at which the lord of the house may come, and the words relating to the absence of the bridegroom—that the meaning of the eschatological discourse is fuller than Mr Thompson is prepared to allow, and these indications suggest what is more clearly drawn out in the First Gospel concerning the tarrying of the bridegroom, the failure of the virgins' lamps, the coming of the lord after a long time, the tarrying of the lord, the mixture of good and evil and the need of patience within the kingdom itself which is thus to afford a sphere of probation, the building of a Church in which there is to be legislation and rule. All this presupposes the continuance

of the present world as a stage of preparation for the future life, and that the performance of duties towards society as well as the discipline of personal character forms part of the preparation.

Again, it is true that our Lord regarded "charity as an exercise of religion", but it does not follow that he did not regard it "as a method of reform," or that He used His powers "indiscriminately." That the bestowal of forgiveness on the man sick of the palsy is linked with the healing of his body shows that a moral purpose was in view, and the inability of our Lord to do mighty works where there was unbelief shows an underlying principle which precludes indiscriminate action. A like criticism applies to what Mr Thompson says about wealth. He does not allow sufficient weight to the fact, which he recognizes, that it was a feature of our Lord's method in dealing with men to treat each individual in accordance with his personal needs. Adequate consideration of this indicates that the injunction to the man who had great possessions, even in relation to the other instances which Mr Thompson connects with it, does not imply a universally applicable command for the renunciation of property. Rather, a part of the teaching of our Lord is the assertion of vocation, and vocation carries with it that the duty of some—perhaps of more than most of us realize—is the renunciation of property, while the duty of others is the retention and proper use of it. This, of course, is the application of a principle, but under the sanction of the very "authority and expectations" of our Lord which Mr Thompson excludes from such matters. Christian principles in regard to social problems call for very different methods of expression as times and circumstances and the problems themselves differ, but none the less the principles in their essential character possess permanent value and significance, and claim the authority of Christ as underlying His words and actions, in so far as He filled the office of a Teacher, not only for the age of His ministry, but also for all time.

DARWELL STONE.

LA PETITE PROPRIÉTÉ RURALE EN FRANCE Enquêtes
Monographiques (1908-1909) Par LE MINISTÈRE DE L'AGRI-
CULTURE 4^e Bureau [348 pp 8vo 3 fr 50 cents. Imprimerie
Nationale Paris, 1909]

This very carefully prepared conspectus ought to find interested readers in this country as well as in France, more particularly at the present moment, when "the land for the people" is the common cry on both sides of the political boundary line, and the very point upon which parties are divided is that here dealt with. Conservatives

as well as Liberals desire to see the land made available for small occupiers. The fault which they find with the Liberal Small Holdings Act is that it appears by preference to make the newly created small occupiers not *owners* of the soil, but merely *tenants*. Undoubtedly small ownership occupation has thus far generally yielded the more satisfactory results. However, in the present case the Government necessarily had to provide for tenant occupation as an alternative, because one of its proposals was that it should be in the power of the competent authorities to expropriate land for the purpose of converting it into small holdings. Such being its object, and the justification of its demand for new powers, it was in honesty bound to devise safeguards protecting the land, expropriated for a particular purpose, against its being afterwards estranged from its avowed object, which would mean that the original owner had been forcibly deprived of his property to no purpose. Our own history, as well as that of other nations teaches that such danger is not imaginary. The Prussian Government, in its very large operations of a similar character, protects itself by means of an entry of its right of veto on future sales in the land register. We have no law permitting this. Therefore the only safeguard applicable was to make expropriated land employable only for tenancy purposes and revertible to its original owner. Land voluntarily given up may be dealt with as the owner pleases.

However, doubtless there is a disposition to exaggerate the danger of subdivided land being bought up by the big purse, as happened in Tudor times. Rumours of such abuse having actually taken place have recently become largely current even in France, the country of all others devoted to *la petite culture*. It was for that reason that the Minister of Agriculture instituted an inquiry into the present state of sub-division, of which inquiry the book here noticed is the official Report. Each territorial "department" has its own chapter assigned to it. The upshot is that sub-division has by no means been checked, but, on the contrary, it has slightly increased. Small holdings have remained small holdings, and there are even now more of them. With their own plot of land to cultivate and to improve—for as the late H. Baudrillart has put it, the peasant's plot of land becomes to him more than a mere investment, "he cherishes and decks it out as if it were his sweetheart"—peasants are content to remain peasants—not, perhaps, everywhere in the same immutable way that Captain Levainville instances in his interesting book, *Le Morvan*, dealing with an exceptionally agricultural province, but still faithfully. In the Morvan, so says the author quoted, they see factory chimneys rising up all around them, and new industries cropping up, but it never

occurs to them to try if they can better their lot by taking a hand in such new work

Of course, the degree of tenacity shown varies locally. But, generally speaking, the result is uniform. On the other hand, the precise way in which holdings are turned to account varies not a little, and such fact adds to the interest of the book, which is methodically and very clearly arranged, with an avoidance of verbiage, and which accordingly does the compiler credit

HENRY W WOLFF.

THE ECONOMICS OF RAILWAY TRANSPORT By S. C.

WILLIAMS [x, 303 pp Crown 8vo 3s 6d net Macmillan
London, 1909.]

Mr Williams, who is described as secretary to the "Agent" (anglicé, General Manager) of the East Indian Railway, has produced an excellent little book. Utilizing the organon and the categories of the economist, he has been able to keep always in the foreground the fundamental and essential features of the problems with which he deals

The production of railway transport is described in Book I, in which may be found a clear account of the importance, to the success of a railway, of its gauge, alignment, curvature and gradients. There is also an interesting analysis of "operation," dealing with the size of trains and waggons, the inequalities and fluctuations of goods traffic, and the classification of goods. But it is in Book II, dealing with the distribution and consumption of railway transport, that Mr Williams will prove most interesting to his readers. Here we may find set forth with patience and lucidity the factors which differentiate railways from most other business undertakings. The influence of the State, the vast amount of fixed capital, the joint production of various species of transport, the small prime cost of any one species, and the impossibility of estimating its total cost—all receive detailed treatment with regard to their effect upon railway rates. In Chapter V., however, Mr Williams's lucidity fails him. The gradation of rates, according to the value of the goods shipped, he there says, depends upon two factors: first, the quasi-monopoly enjoyed by railways, and secondly, the joint production of various species of transport. If either of these factors is absent, the gradation of charges according to value must vanish. If, for instance, a railway carries coal and hats from A to B, charging highly for the hats but taking coal below average cost, and if a competing railway is built, so depriving railway No 1 of its quasi-monopoly, the hatters will take advantage of the

rivalry and will demand, and obtain, reductions in the rates for hats. Then, says Mr Williams, railway No 1 (and No 2 also) will be unable to carry coal so cheaply as No. 1 did before, and will raise the rates for coal so as to cover the average cost of transport, so far as that cost can be ascertained. Coal and hats, therefore, will eventually be carried from A to B at approximately the same rates. This argument seems to overlook the fact that the traffic in coal could not bear such high rates and would cease altogether, so depriving the railways of a large part of their income. It is not true to say that if railways "were the subjects of free competition throughout the whole of their services all their charges would inevitably be reduced to approximate cost of production," unless by "cost of production" is meant prime cost only. In that case it were better to say at once, what is in fact true, that complete competition between railways is an unstable state of affairs which must necessarily result in amalgamation. It is misleading to suggest that such a state of affairs could continue.

But any shortcomings in Chapters IV and V are amply compensated by the long and interesting chapter on "Special Rates" with which Mr Williams concludes his work. This chapter contains a most luminous account of the philosophy of discrimination, such as is not to be found in the elementary works so far available to English students.

On the whole, then, I can most heartily recommend Mr Williams's book for the perusal of all classes of readers. If a second edition is called for, the author might give more complete references to the books from which he quotes. Sometimes he names the writer only, sometimes the book without chapter or page, and on page 194 Mr Acworth is misquoted.

D. A. BARKER.

THE SAFETY OF BRITISH RAILWAYS By H. RAYNAR WILSON [vii, 240 pp. Crown 8vo. 3s 6d net. King London, 1909]

Mr Raynar Wilson is known as the author of two highly technical works on railway signalling. In the present work, however, he writes for the uninitiated, and explains in simple phrase the progress which has been made during the past half century in protecting the public and the *employés* of railway companies from the dangers of railway travelling and railway work. This progress, though carefully watched by the Government and frequently reported upon by commissions and committees, was brought about almost entirely upon the initiative of the companies themselves and owes little to the compulsion of the

law. Nevertheless, the legal enactments relating to such matters are numerous and important, and fall naturally into two classes, the first relating to the safety of passengers, the second relating to the safety of *employés*.

In his first sixteen chapters Mr Wilson treats of the first class, and of the discussion and reforms which accompanied or preceded them. He shows how the iron step—a vestigial survival from the days of coaching, “admirably adapted to cut people to pieces between the train and the platform”—was replaced by the continuous footboard, how the attainment of great punctuality, the adoption of the block system, the interlocking of points and signals, and the use of continuous brakes were accompanied by a considerable diminution in the number of accidents. Looking at the number of collisions and derailments, it would seem “that there was in 1906 only one for every 1733 thousand miles run, as compared with the figures for thirty years ago, which were about 1 for every 402 thousand miles run.” Still more secure do English railways appear if they are compared with the railways of America, where the long hours of *employés*, the recklessness of the public, and the general use of the tracks as highways, lead to many casualties. One accident is reported “in which a conductor who should have protected the rear of his train was asleep in his caboose, while the engineman of the following train was asleep in his cab.”

The student of economics will find more to his taste in the last four or five chapters of Mr Wilson’s book, in which are described the measures taken to ensure the safety of *employés*. The dangers to which they are exposed are serious, as may be judged from the fact that on an average at least one man is killed and ten men are injured every day on the railways of Great Britain. By the railway companies and by the general public this loss of life is put down as largely owing to the recklessness of the men themselves. “Familiarity with railway work produces of necessity disregard of danger, and practices involving special risks are habitually resorted to on the ground of convenience.” The railway servants, on the other hand, contend that the majority of cases are occasioned by . (1) excessive hours of labour, (2) want of discipline, (3) the non-adoption of the most approved appliances conducive to safety in the working of railways, (4) the want of proper accommodation in the working of traffic, (5) the insufficient number of men employed.

The more important of these criticisms are considered in detail by Mr Wilson. With regard to hours of labour, he points out that by the Regulation of Railways Act, 1889, returns of all cases where an

employé has been kept continuously on duty beyond a certain fixed limit must be made to the Board of Trade, and that under an Act of 1893 the Board of Trade has power to investigate complaints of long hours made by *employés*, without revealing the name of the complainant. Up to July, 1907, we are told, only 874 complaints were made under this Act. This is a small number considering the large staff employed by the railways of England, especially if we remember the extreme difficulty of avoiding long hours whenever any hitch occurs to hinder the smooth working of the traffic.

With regard to the adoption of improved appliances Mr Wilson devotes a long chapter to the consideration of automatic couplings and either-side brakes, both of which improvements appear to be still in the experimental stage. Somewhat strangely he omits any reference to the indirect gain in safety which would result from the abolition of the system of owner's waggons. Much of the shunting and marshalling at present necessary would be obviated, and the more dangerous forms of railway work would thus be greatly diminished.

"The accidents of a former generation," says Mr Wilson in conclusion, "were mostly due to a weakness of the machine. The machine is now perfected, and these pages will, no doubt, force the reader to the conclusion that present-day accidents are due to failures of the man."

On the whole, I do not think that this book will repay the perusal of the lay reader, though it might be convenient for reference.

D. A. BARKER.

SOCIAL FORCES By PROFESSOR E. T. DEVINE, PH.D., LL.D.
[226 pp. Crown 8vo. \$1.25. Charities Publication Committee
New York, 1910.]

Here is another book issued by that excellent body, the Charities Publication Committee of New York. The author is Dr. Devine, Schiff Professor of Social Economy at Columbia University, and Editor of *The Survey*, a weekly journal devoted to the discussion of social questions. It consists of a selection of twenty-five of the editor's articles, and, to begin with, I must plead guilty to the suspicion that the price is too expensive. There are 226 pages, of which over fifty are blank, and there is a very liberal margin. This is not to say that the remaining 170 pages are not worth five shillings, but only that I am doubtful if people will pay it. Of course the enthusiasts will buy the book, but it would be more desirable that it should reach the ignorant than that it should amuse the enlightened. But still perhaps it is easier to lure Americans into the paths of social

thought and study than is the case with Englishmen. It is much to be hoped so.

Dr. Devine's avowed aim is to express "the new view," as he calls it, of philanthropic, social, and legislative attempts to face "things as they are." This does not mean that he considers himself to be putting forward a new invention in the economic world, but simply that he is desirous of summing up that new attitude which is characteristic of the modern politician, reformer, and social worker. He wishes to determine what new methods are to result from it, and whither it is to lead. He is anxious to make people learn to think socially, not individually. Once this can be done, we shall no longer be content with palliatives and doles as a substitute for energetic attempts to deal with causes. "The most consistent and telling opposition to all such righteous social endeavour is to hurl at its advocates the question-begging epithet of socialism." So that thus far there would appear to be no difference between American and Englishman! We may indulge the hope that some day the ignorant majority may think with the present small minority that the one essential question to be asked about any proposed scheme of reform is not whether it is socialistic, but whether it is right.

Most people identify poverty with depravity, and Dr Devine has no difficulty in demolishing this superficial theory. But he seems to go to the opposite extreme in regarding poverty almost entirely as a disease of the social body. In the January number of the *Economic Review* the reviewer of another of Dr Devine's books said that the author practically ignored personal character as an element in the problem. With this criticism I must to some extent concur, as a result of reading this present volume, and indeed he himself admits that he has elsewhere been charged with knowing poverty better than the poor. "Poverty of character is not a general characteristic of the poor; there are no general bad characteristics of the poor." This seems to me quite decidedly to be an over-statement, though I should at once admit that poverty is due quite as much to deficiencies of character on the part of the rich as on that of the poor. If once this is admitted, then Dr Devine's strong plea for the co-operation of religion, and the necessity of that co-operation, becomes immeasurably stronger.

Dr. Devine urges emphatically that vice is not inherently attractive. Is this so? The statement and the question open the door to a profound subject which has vexed the mind of man ever since he began to think, and space forbids further discussion. But I am inclined to think that the better way of putting it is to claim that

the one essential prelude to progress is the formulation of something so attractive that it shall strip vice of all its attractiveness. The enormous proportion among cases treated in our hospitals of those due to some form of venereal disease is significant in this connexion, but, what is far more important, it also demonstrates how strenuously reformers should labour for the better instruction of children and adults in this matter. No reform presses as much as this.

There are two or three of the articles, such, for instance, as those on "The Russell Sage Foundation," and "John Stewart Kennedy's Will," which cannot have more than a passing interest for Englishmen. The book is well worth reading, even though it contains nothing startling, because it does plead with success for the new way of approaching things. Mention must be made of the chapter on Joan of Arc, written shortly after the canonization ceremony. It is a striking and sympathetic treatment, and is much the best piece of writing in the book.

E. P. SWAIN

SHORT NOTICE.

LONDON STATISTICS, 1908-9. Statistics of the Administrative County of London, and of the Public Services carried on therein, together with certain Statistics of the adjacent Districts. [524 pp. 8vo. 5s. King. London, 1909.]

This annual publication of the County Council has been somewhat reduced in size by the omission of some matter considered not worthy of annual reproduction. There is a new section on old age pensions. The most striking chart in the book is that on page 37, in which the decline of natality in London and Berlin is compared. In both towns a large decrease in the number of births to each 100 married women is shown since 1875, but the London fall is only from about 20 to about 14, while the Berlin fall is from about 23 to about 11. In the same period the infant mortality in Berlin has fallen from over 300 to about 160. London for a long time had an infant mortality about the same as that of Berlin at present, but there has been a considerable improvement since 1899, so that London is still far the better of the two towns.

EDITORIAL NOTES.

SINCE the last number of this *Review* was issued King George V has by the death of his father succeeded to the throne King Edward died suddenly, almost before it was generally known that he was seriously ill, and the suddenness of his death brought home in a particularly striking way how exceptionally successful his short career as king had been and what a large space he had filled in our public life. It was especially noticeable in the summaries which the daily papers published of the events of his reign how fast events have moved in the last nine years. When he came to the throne fighting was still going on in the Transvaal, when he died the chief Boer general was just about to be offered the premiership of a United South Africa. And the time of reflection which followed the close of the war started a vigorous movement towards social reform, the force of which, it may be hoped, is not yet expended. It rests with King George to guide to a prosperous issue the movement over the remainings of which his father presided with such real sympathy and sagacity, to maintain the peace which he maintained and help us to realize its fruits. It is a fine heritage, and he has the complete confidence of the nation.

In 1908 a Royal Commission was appointed (to quote the warrant) "to examine the various schemes which have been adopted or proposed, in order to secure a fully representative character for popularly elected legislative bodies and to consider whether, and how far, they, or any of them, are capable of application in this country in regard to the existing electorate." They found themselves faced at the outset with very large and fundamental problems, which a Royal Commission could not reasonably be expected to settle, but upon the solution of which the answer

to the more limited question indicated in the Warrant of Appointment to a large extent depended. The question turns in the last resort on the meaning given to the phrase "a fully representative character." Is the nation "represented" when the electoral arrangements are such that conceivably any minority, however large, might fail to return a single member to the Imperial Parliament, or is it only "represented" when the elected body is, what the advocates of proportional representation generally want it to be, the nation in little, containing with the greatest possible exactness all shades of opinion in the same relative strength as the electing body? If the latter is the meaning attached to representative (and it is perhaps the natural meaning of the word), it is impossible to maintain that present arrangements produce a representative House of Commons; but on the other hand, it may be contended that representation in that sense is not what a democracy either requires or expects. But the question, What sort of representation does a democracy require? or, in other words, What sort of representation conduces to good government? was in the nature of the case outside the scope of the inquiry. The inevitable neglect of this question by the Commission leaves the Report in some respects a vague and unsatisfying document, and gives some point to the dissentient note appended by Lord Lochee to the effect that, if a fully representative character is desired in the elected body, almost any of the known systems of proportional representation would secure it, and he agrees with his colleagues in thinking that of the schemes suggested the Transferable Vote is the best.

Nevertheless we cannot help thinking that the Committee took an eminently sensible view of their functions, and that their conclusion is one which will commend itself to the great majority of practical politicians. They assumed that what was really wanted was a suggestion for remedying the more glaring deficiencies of our electoral system with the smallest possible deviation from our existing practice. They assumed in effect that ~~we~~ we were satisfied on the whole with the division of parties which our present system has produced, and that the nation

was not prepared for any change which would involve a fundamental breach with parliamentary tradition. It is really upon this ground that the various schemes for proportional representation were rejected. Every one is aware that a newly elected House of Commons does not contain Liberal, Conservative, and Labour members in the proportion which the total vote cast for candidates of any one of these three parties bears to the other two. We know that the effect of a General Election is to exaggerate majorities, and many of us are well content that it should be so, because we believe that, if it were not so, a two-party system would be impossible. What we complain of is that, as matters at present stand, the extent of exaggeration is capricious and irregular, sometimes even producing a majority out of a minority. For instance, taking the carefully compiled figures here given, while in 1886 a Conservative majority of 104 was returned by a number of votes which on a proportional basis would have justified a Liberal majority of 18, the Liberal majority of 44 at the following General Election was returned by an excess of votes justifying a majority of 40. Such figures make a successful "appeal to the country" look like little more than a lucky *coup* at the gaming table. What we want then, and what the Commission try to give us, is a scheme for regularizing, without losing, the exaggeration of majorities.

In order to bring about this result the Commission recommend, in effect, that two changes should be made in our existing practice, that the misrepresentation which often results from the split vote should be prevented by the introduction of the Alternative Vote where more than two candidates stand for a single seat, and, secondly, that two-member constituencies be abolished, or, as they more guardedly put it, "reconsidered". Further, they guard themselves, in view of the ambiguity of the phrase "fully representative character," against the accusation of not having answered the question they were asked by reporting that "of schemes for producing proportional representation, we think that the Transferable Vote would have the best chance of ultimate acceptance, but we are unable to recommend its adoption." The distinction between the two systems called here by the names

of the Alternative and the Transferable Vote respectively is rather an awkward one, since both of them are freely called by the latter name. The difference is roughly that the Transferable Vote is a scheme of proportional representation, involving large constituencies returning each a number of members, while the former is applicable to a system of single-member constituencies. Apart from this difference they are the same in principle; in each numbers expressing an order of preference are written after the names of the candidates; second votes are taken into account if the first vote is not decisive, third votes if the second count does not decide the matter, and so on. In a single-member constituency, a count is, of course, only decisive when it gives one of the candidates an absolute majority of votes. This, then, with the abolition of two-member constituencies, is the remedy proposed by the Commission. How much difference its enactment would make we cannot say; perhaps not a great deal, but this, like many other Royal Commissions, deserves our gratitude, not so much by reason of its cautious and sensible recommendations as of the very lucid and illuminating account of the various types of electoral systems by which they are preceded. Here, in a short compass, at the moderate price of 6½d., we have offered us a comprehensive and impartial analysis of the electoral vagaries of Europe and of the British Dominions beyond the Seas



The Tutorial Classes Committee of the Oxford University Extension Delegacy, which was the direct outcome of the very interesting unofficial Report on *Oxford and Working-class Education* issued in 1908, has recently published an account of its first session's work, "in the belief," as the Committee put it, "that the experience obtained by it of the desire of workpeople for higher education and of the difficulties by which their studies are beset should be given due weight in the formulation of any proposals which may from time to time be put forward for the further development in England of 'Continued Education'." The Committee was constituted by a statute of October, 1908, and consists of an equal number of representatives of University and of working-class opinion. During the session 1908-9 the

Committee employed three teachers in taking classes at eight different centres, the subject of instruction being Economics and Economic History. The success of the classes shows that they are calculated to meet a real demand. The people attracted by them were workpeople, for the most part, in the narrower sense, *i.e.* they were engaged in various forms of manual labour, but the classes included also a certain proportion (about one-fifth) of clerks, teachers, or shopmen, not ordinarily called workpeople; though drawn from workpeople's families. About sixty per cent. of the students were under the age of thirty-four; and this is regarded by the Committee as "a highly satisfactory feature," as showing that the younger generation is interested. The record of attendances is remarkably good, the average in the aggregate being over ninety per cent. of possible attendances.

All this is striking enough in itself, and is sufficient to convince the sceptical that there is a demand, and that the classes are meeting it in the right way. But it is more striking and more convincing when considered in connexion with the second part of the Committee's report, the part headed 'Difficulties of Students.' The obstacles are grouped under three heads, lack of previous education, overtime, unemployment. With the first we are of course familiar, and now that it has become a commonplace of discussion that the working-classes leave school for good at a ridiculously early age, we may hope that something will shortly be done to make "continued education" compulsory. Unemployment also is, unfortunately, an only too familiar fact, and it is not surprising to hear that it was "the chief reason for students abandoning the class," or that, apart from actual unemployment, "anxiety and restlessness caused by uncertainty or want of employment" interfered considerably with the work of the classes. One can hardly blame a student in whose mind the question, "How shall I earn a living to-morrow?" takes precedence over the questions of Economic Theory and History. These are, indeed, serious obstacles to education; but for many reasons they are dwarfed by the obstacle of overtime. "The greatest single obstacle," says the Report, "to the

extension of adult education by means of evening classes is to be found in the long hours of labour " The Report sets out in tabular form nine weeks' experience of an engineer who attended the Longton class, pointing out that the weeks in question did not fall in a time of inflated trade, but in a time of unusual depression In those nine weeks the student had only two Sundays off, and the total hours worked, instead of the nominal 477 (*i.e.* 53 per week), was $626\frac{1}{2}$, or approximately 70 per week, in two of the nine weeks he was working for 77 hours, and in none for less than 60 This particular student was strong enough to bear the strain, and in addition to do a good deal more than the minimum of study required of a member of a Tutorial Class, but how many constitutions would be equal to the double effort? It is no wonder that the Committee record with some emphasis their opinion that " the strain of prolonged overtime superimposed upon hours which are already often too long, is crushing," and that the formula " nervous exhaustion induced by systematic overwork " fits many of the weaknesses from which the working-classes suffer. We agree with them that a public inquiry into overtime and its effects is badly needed.

Those who are interested in education cannot be too grateful for the experiments in working-class instruction of which these Tutorial Classes are an example. The University of Oxford is responsible for these eight classes, and its experience is here recorded; we have not as yet read any printed record of the work done by other Universities and University Colleges: but it should be remembered that in all a dozen different University bodies have taken up the work The Universities of Birmingham and Manchester, in particular, must have valuable evidence to give as the result of their activities All these experiments are due to the initiative of the Workers' Educational Association, a body which in the few years of its existence has done invaluable and almost incredible service to the cause of true education. Yet even now, in spite of its devoted labours and its generally recognized success, to which politicians of all shades of opinions as well as the expert officials of the Education Office have called attention, the Workers' Educational Association is still far from receiving

the financial support which it deserves. It is, in consequence, under-staffed, and "systematic overwork" (to borrow their own phrase) is telling upon the health of its able and indefatigable secretary. We earnestly appeal to our readers to inform themselves as to the work of the Association, and to give it whatever financial assistance they can afford. There is no cause upon which money could be better spent. Information will be willingly given, and subscriptions gladly received by the secretary, Mr A. Mansbridge, at the Central Office, 18, Adam Street, W.C.

LAND TENURE AND POLITICAL DEVELOPMENT

THE CELTIC PERIOD.

PATRIARCHAL society is pastoral. The mythical horde or pack (if it can be seriously admitted to the historian's purview) knows only the chase as means of livelihood. Like some of its later counterparts or avowed imitations, it cannot create or develop natural resources, it cannot even preserve; its sole business is to consume. Aristocratic society is agricultural, because of the easy support which settled homes and dependent labour gives to a conquering caste whose work lies elsewhere. In tracing the general connexion of land and politics in Britain, we begin with a pastoral society, with clan and kindred, before the time when land in itself has any recognized value, before private ownership in the soil is conceivable. The first stage of our inquiry will then precede the existence of the problem, or at least of its material; but it is possible to trace, by the aid of recent research, the conditions from which the land-question issued, charged with the weightiest issues. It is a mistake to exclude this epoch from our purpose as some historians do, by referring all influence in British development to the Roman occupation. Two things are at least clear: (1) that a very complex state of society predated in many parts of the island the advent of the Romans, (2) that their influence on the permanent institutions of the country has been greatly over-estimated. When the Romans left in the reign of Honorius, the old conditions resumed their sway, were coerced or absorbed by the kindred polity of the new Anglo-Saxon invaders, and contributed in no small degree to the ultimate form of rural life and land tenure.

It is therefore of moment to ascertain the chief features of Celtic organization. Like Roman, Saxon, and Norman, the Celts were a conquering caste, who superimposed lordship over natives.

It is for this reason that we find a "king" at this early stage, as commander of the immigrant body sweeping over Europe from the east and filling the extreme western parts of the Continent. Now central government of any kind is rarely formed apart from a threatened danger at home or a bold foreign enterprise; coalition is rare (as with Tacitus' Britons in the fourth century, *Agr.* § 12) even in face of a common peril, but it is essential for a successful raid. Even the Lombards, fixing themselves as a dominant caste in Italy under Justin II (568), owed to monarchy their early good fortune, and were obliged to recur to it when a feudal aristocracy had disorganized their occupation. But the unit of life and centre of interest is of course the little community; the communistic democracy, which, as the idealist believes, succumbs gradually to individualist ambition or greed. Yet we may inquire whether the kindred commonwealth or settlement is at its outset "equalitarian"; if there cannot be found ranks and disparities, here as elsewhere, if even in this stage of almost paradisaic simplicity we cannot detect the ominous figure of the capitalist.

It was never a collection of equal heads of houses, there were always present alien and inferior elements. There coexisted in the same area, (1) the pre-Celtic serfs; (2) the *tæogs*, also natives but allowed a certain freedom and paying not arbitrary but fixed and customary dues or service, (3) the strangers or refugees, "the kin-shattered," *alltuds* in Wales, *fiudhr* in Ireland, who, like *μέτοικοι* in Athens, naturally ranged themselves under a protector who enjoyed civil rights, and in no small degree swelled the forces that made for aristocracy and feudalism. Every element was present and active that could undermine the original equality of the kindred, and bestow exceptional influence upon warrior or cattle-owner.

It may be said roughly that there are two main types of state: (1) the free and equal democracy, exclusive and highly conservative, that claims at least in theory aboriginal rights and a common ancestry; (2) the dominant caste, which without shadow of justice or moral appeal, imposes its will on a defeated nation and lives in idleness on its work. But the Celtic community (known to us by Welsh and Irish evidence in those features which must once have

been universal over England as well) belonged to a third and intermediate class, a compromise between the two. Free and unfree alike were "harnessed to the same yoke, though the native had to draw a heavier burden" (Vinogradoff, *Origin of Manor*). All over the world of history (a comparatively small area of the whole), an imperial conquest, the first lust of carnage and booty satisfied, has exacted but little from the conquered. All government and all taxation (to-day synonymous) rise from these rudimentary demands upon the primitive village. Slavery on a large scale is a later institution, a cynical and deliberate measure which turned a whole nation dispossessed by force into "hewers of wood and drawers of water." The early political commonwealth, like German nobles in Tacitus' time, finds no use for household slaves; and the obvious solution of the problem is to impose certain fixed duties, of levy or tribute, but in all other respects to leave the settlements untouched in laws or customs and the routine of daily life. It is not the oriental despot but the bureaucrat of the modern state who is inquisitive and interfering; and it may be suspected that occasional oppression is far more supportable than systematic meddling.

It was, of course, no humanitarian scruple that restrained the victors, but common sense, only kings and great warriors could profitably employ and turn to advantage that most wasteful instrument of sloth, slave-labour. Neither among the aborigines who succumbed to Celtic dominion, nor among the Roman citizens who accepted the Teutonic protectorate, was any scheme of wholesale eviction attempted. The overlord is satisfied with acknowledgment and tribute, and if he demands a contingent for the host there is at once a chance of rising in the new military service, where ability levels all men. It is clear then that under the Celts free and unfree, ruling caste and indigenous clansmen, were alike amenable to the central control, such as it was. All shared the expense of feasting the king on those annual peregrinations, which, arising from the rough-and-ready expedient of a royalty not too well equipped with means or prerogative, became (as in medieval Germany) a real means of conveying justice to the scattered parts of a loose realm. As has been well pointed out by Vinogradoff, "the service of entertainment and royal progress

saved the titular rulers from the intricacy of domanial husbandry " The day for that had not yet come , the functions and the rewards of royalty were those appropriate to a nomad, not yet stationary, society

We have yet to speak of (3) the " kin-shattered " class of refugees and foreign settlers, who formed a distinct and peculiar element in archaic society This body of *metics* gave a decided impetus to the new aristocratic individualism Here, as in Greece and Rome, are to be found the devoted clients of a strong or wealthy man, themselves without ties or guarantees and finding safety or sustenance only in his protection A variety of causes may have produced this feature, detached members living as it were on the fringe of the commonwealth, in Celtic lands as elsewhere But it is worthy of note that already in this simple society capital, in herds of beeves or flocks of sheep, had secured an undue and perhaps inevitable advantage We find Cæsar's Gallic *obœrati* among the struggling shepherds of our own land, leasing out from the wealthy speculator his superfluous cattle and often sinking into a condition of bondage. Far back as we may go in our European history, we never seem to reach a stage of genuine equality ; the primitive ideal community is a mere vision.

II. It need not be pointed out that we have here before us two rival schemes of social life and government There was the natural and spontaneous order of tribe and kindred, guided by immemorial order, on the whole aiming at equality , but there were also forces at work, favouring the growth of unequal lot , the voluntary and therefore contractual ties of patronage. There were the clan-rules, which allotted sustenance but controlled freedom ; which insured a livelihood but checked individuality Disrupting this rigid phase was the new spirit of enterprise, which roused man as he overcame his early terrors of nature and his fellows to deeds of daring, and whether in war or in commerce led to new ties of allegiance to the brave captain or the wealthy owner—both outside the strictly limited sphere of clan and kindred

Already, then, do we see two forms of authority ; the clan-chief, *pencenede*, according to world-wide custom eldest agnate in this pastoral society, into whose sway a man is born, whether he will

or no: the *argluyd* or lord, a personal and voluntary master, a potent influence making (as has been said) for "economic inequality and privilege" The chieftain does not appear often; his routine-work as purveyor and umpire is sometimes enlivened by a difficult case where he has to admit or refuse a claimant to tribal membership, for the tribe being a benefit society, or corporation for mutual relief, has no intention of widening its benevolence so as to embrace the unqualified (It would be interesting to discover to-day what real sympathy the average man has with alien distress, how he regards the admission of paupers into his country, how far he could afford to indulge sentiment and charity if he lived under a careful Socialist regimen which needed every product for its own members.) In the chief's "dooms" there is no trace of Cyclopean caprice or wild and inspired decisions of Homeric kings he acts according to custom with a body of councillors and kinsmen, just as the Roman magistrate was expected to consult his assessors, the Roman father the chief members of the family. From this conclave women were not excluded; and (so little despotic were the methods of early authority) in the absence of a chief, twenty-one of the best men of the clan were charged with the final verdict; in any case the head man did but speak as he was prompted, he was only the foreman of the jury or the "homage." It is but fair to remark that in Ireland and the Scottish Highlands the tribal chief had more power than we find in Wales, and presumably in pre-Roman England To him the kindred looked up in all concerns of life, he was military leader, judge, and regulator of land-claims; he was patriarch, never proprietor In Ireland (*e g* in the case of the Maguires) war and crisis had power to alter the *primus inter pares* into a veritable dictator, no longer the creature of custom and the mere spokesman of the seniors' council, he could issue commands and impose taxes which no one could gainsay.

What was the rival authority who insensibly drew to himself the duties and prerogative of the archaic chief? The *argluyd*, or lord, is probably a king's nominee, a royal official, thane, representing centralism as opposed to local autonomy This office was hereditary and transmissible, and holden of the king by some early form of feudal tenure To him the chief paid rent or tribute;

and he received "institution-fees" (as they may be termed), when, within the kindred, the chief invests an officer. He appears also presiding at the courts of assembly where the freeholders of a district met. Something analogous may be traced in Scotland during the eighteenth century: Boswell's father, it will be remembered, was fond of beginning his magisterial discourse with the words, "I, first King's Sheriff in Scotland." Before this time, before the "abolition of hereditary jurisdictions," the chief had retained the dues and duties of administration; which now became a royal concern, that is, belonged to the central government. It is at least probable that the warm personal attachment to their nobles among the Scotch, oddly combined with their curious dislike of nobility, is to be traced to this separation of work and privilege; just as the real *gravamen* against hereditary legislators is their neglect of duties, not any distrust of their singleness of purpose, or their political capacity.

It is interesting to note points of resemblance and unlikeness in Indian practice during this gradual substitution of central for family control, of State for patriarchy, of mere local for kindred ties. The village headman is left in a position of honourable precedence, but active power rests with a royal emissary, chosen for his learning and aptitude for figures as accountant. The headman might be lamentably deficient in this ability; and the two offices, from sources so diverse and indeed hostile, were allowed to coexist peaceably—the one from nature, prescription, and popular approval, the other deriving its warrant from the now arbitrary State. Both (as in all Indian offices) were heritable and descended usually to the son. Similarly in France, by the side of the noble governors of provinces, certainly representing the old patriarchal system, the advisers of the Bourbon monarchs placed humbly born *intendants*, who with a modest title and duties nominally slight, diverted to themselves all real control. Somewhat similar was the practice of the early Roman empire in the employment of members of the equestrian order, capable financiers and good men of business, not in place, but by the side, of haughty and incompetent senators. The latter had a kind of prescriptive claim to titular dignity, but little capacity for affairs. The *procuratores fisci* as representatives of the centre managed the

imperial dues and domains, and in the centralized state it is internal economy that has the chief place and all real authority

The lord arose, as rival or substitute, in a second fashion, as we have already seen, in this case, it is the *comitatus* and its voluntary tie introduced into civil life. A man became tenant under a rich owner of beeves, by contract of *manred*. He paid rent and gave heriots, *calp*, on change of tenancy, certainly this heriot, generally supposed to be Danish, is well known in the Lowland Celts and among the Irish. Among these latter, the applicant will be *Fer Midha*, an ordinary or inferior man, contrasted with the *Boawe*, master of cattle. Rights of private property clearly began with *mobilia*, while rights in the open pasture-land were still communal. Thus lordship begins not with loan of soil (inconceivable in that stage of society), but of beasts and certain implements of husbandry. This form of *commendatio* was common enough, the capitalist was as potent as the man of war in attracting dependents. The AIREYS owed their rise to such loans of cattle and implements, and became landlords (in the new and strict sense) by foreclosure on mortgaged land.

III There are thus to be clearly distinguished three forms of possible authority in the primitive body, the clan-chief representing family ties; the royal or military patron (for all kingship except the patriarchal is a form of patronage), and the commercial. Sometimes the two latter coalesced; the military attachment to a notable leader is as familiar among the Welsh Celts as among their Teutonic cousins, yet it has its economic and pacific side. A lad at fourteen would join such a retinue, to be a trusty henchman, but he received outfit and grant of cattle and became pledged to personal fidelity in peace and war. When he ventured forth to seek his fortune in the larger world and thus broke, or rather overstepped, the ties of kindred, there was no limit to his free choice. He was not bound to join the nearest head of kindred or district, but might place himself under the protection of any rich owner. Thus was formed an aristocracy, not wholly of the sword; and capital even in the most primitive society exerts an influence which foreshadows its great power in the industrial world of to-day.

Here, then, are (1) the group strictly depending on pedigree,

an association of freemen in *gwely* sept or clan (2) the voluntary and contractive ties of patronage under men of wealth. (3) the ties arising from the gradual aggregation of these groups under the central kingship, which imposed power and arranged administrative divisions, from without and from above. This last set up courts of justice (now for the first time public), gave commission to collectors of revenue (or dues to a universal patron), and organized the army (now for the first time national). The early nobility of birth was thus challenged by new competitors for rank and station, and very soon wealth or office gave as good a title as purity of pedigree. The hereditary *uchelwr* might be the natural chieftain in a clan, a patron (by wealth or prowess), or finally a royal nominee, an official.

Later development in the manorial system introduces few elements which are entirely novel. In the picture of Celtic society which research has disclosed to us we can find all the essential features of the manor. The owner of land as proprietor, by forfeiture or default, is now recognized as a powerful factor, the dependent class is already marked out into the familiar division of serf, villain, and free tenant, who has nevertheless "commended" himself to the good graces of his overlord. It is true that in this transition stage between pastoral and stationary life, there was no organized grouping round an economic centre, and (as we saw) the unfree class had not to support an indolent ruling caste. Here once more is seen the levelling influence of monarchy, as the great democratic lever, for free and servile alike were liable for the food-tax, and the heavy burden of royal entertainment.

Political power begins to be distinct from tribal and patriarchal authority. Grouping has already gone forward on very different lines from those of kindred and pedigree. Yet it may be said that a tribal economy is still paramount. There still prevails a genuine sympathy of kindred and mutual aid, a spirit of fellow-workers, which held together the various settlements against the insidious temptations of royalty (in a sense anti-tribal and "cosmopolitan"), and the offers of loan from capitalist or protection from warrior.

Yet we may still pause before we leave the tribal organism

of the Celts, because not only from without (by political aggregation) but from within are its old and sacred traditions menaced. Among its officials, three figures stand out conspicuous. *First*, the chief, *Ri* in Irish, *Pen* in Welsh, *Mormaer* in Scotch, *cynning* or king among Teutons, *Khan* among the Turks and Pathans (*Xavavōs* in the Greek chroniclers of the Avar invasion 550-600). All over the world do we find the curious mixture of elective and hereditary right; the office is hereditary, or rather confined to a single family, and the eldest male is usually selected, unless disqualified. The limited yet onerous functions are thus expressed in Welsh, "to speak for his kin and be heard; to fight for them and be feared; to stand surety and be accepted." Nothing could show more clearly his representative and responsible character. *Second* comes the *Tanist* (Irish), in Welsh the *Teibanteuleu*, an apprentice in the art of governing, preparing to take the place of the active chief at his death, a sort of "King of the Romans," or *Veliki Kniaz* among Ruric's descendants in Russia.

The invariable Council of Elders may here be noted before we come to the *third* official, whose entrance marks a disintegrating influence. Their duty is to keep alive and interpret the customs of the tribe, just as the homage in a manor to-day will preserve traditional usage; they are *Brehons* (in Irish), in Welsh *Henadwr*, *rachimburgs* among the Teutons, *Jurgah* among Moslems, *Panchayat* among Hindus. They are collected from the subordinate heads of houses and form the indispensable consulting body, the real "power behind the throne." No official, whether king or war-leader, was in early times anything but the spokesman, the nominee, the creature, of this gerontocracy, the ruler, like a Roman dictator, only freed himself entirely from their control in moments of crisis. Sometimes the numbers of the effective council sink to seven, sometimes it is identical with the entire posse of heads of houses, and we may here detect the difference between the *princes* and the *general assembly* in the well-known passage of Tacitus, *Germ* 11 "de minoribus rebus principes consultant, de majoribus omnes, ita tamen ut ea quoque quorum penes plebem arbitrium est, apud principes prætractentur." Among the Celts it was from this body that the specialized professions arose, in the

learned lore of the pedigree-tracers, or College of Heralds, and the art of the physicians and the druids

However far we penetrate into the past, we can note in rudimentary form all the main outlines of the government which to-day has become so complicated. A monarch with titular precedence and sacred ancestry, in effect controlled by custom and secret conclave, an executive of a few princes; and a general parliament in which every householder of the tribe has a right to appear. Early society seems, like ourselves, to have felt the difficulty of eliciting a genuine expression of popular opinion, and to have abandoned at an early date, not perhaps without a sigh of regret (or relief?) the *referendum* to the whole body. When the Teutonic freemen spread and dispersed out of sight of each other in the open and fertile tracts of Western Europe, the great assembly lapsed into disuse. Individual contact with affairs was out of the question, and formal courts, held to expound the law or supplement its provisions for the new state, attracted an ever dwindling audience. Distance and decaying interest completed the change, and the "people at large" ceased to take an active share in the government. In exchange they erected the smallest manor into something like a sovereign principality; and leaving the wider issues to a cabinet of churchmen, began to "cultivate their own gardens."

But where is the disturbing element to be found which is alien to the old sufficiency of birth and age, and brings in what we have termed the neo-individualism which shatters in time the family group of kinsmen? There is a *fourth* officer, called in Germany *Heretoch* (Tacitus *dux e virtute*), Irish and Scotch *Toisech*, and among the Welsh Celts, *Dialwyr* (Avenger). This *champion* is a very early instance of a specialist, for whose qualifications nothing is so important as capacity in a certain sphere. Reverence and awe retained the aged father in his titular primacy, his decisions as president of the peaceful court were always respected. But in war his right arm was weak, and he yielded his place before the line to another. I am inclined to combine with this very simple division of labour, some curious historical facts, such as Dr. Frazer has collected in his book on the *Kingship*; the brief but despotic tenure of royalty, the violent end (as in the priest of Aricia's grove

or king on the Malabar coast of India) It is clear that when kingship depended on family claim and not on personal strength or magical powers, such a method of dismissal of the aged would be impossible Humanity had long passed the stage when the jealous sire of the herd was violently overthrown by his own exiled sons Natural affection dictated another way, and deeds demanding bodily vigour were entrusted to a vicar or substitute, not of necessity the likely heir but the best warrior In Egypt, Usertsen of Dynasty XII retired to the palace, and though adored as a divinity, left secular power to his son A whole century of Byzantine royalty some 4000 years later was founded upon the dual control of a legitimate and titular ruler, a lieutenant whose sole claim was efficiency We need not again revert to the Merovingian compromise, nor the long divorce of actual and theoretical power in Japan Yet it is interesting to note that, among the Celts and the later Franks alike, the Mayor of the Palace and leader of the hosts wielded an influence far greater than the nominal sovereign could pretend to exert

It is likely that this division of function, the sacrosanct, secluded fetich, and the actual executive, accounts for the peculiar forms of Ghoorka sovereignty in Nepaul, as well as for the familiar distinction in Tibet It is certain also that in the small Armenian kingdom that bravely contested the advance of the Seljuks, the commander-in-chief was a permanent institution by the side of the legitimate monarch, the patriarch completing this official trinity, with an authority half-sacred, half-political

Finally, there were the representatives of the centre, official or unofficial, collectors or wealthy favourites of a distant overlord, who could afford to leave untouched the mechanism of the early society because they could despise and ignore it

IV What connexion had these officials of the tribe with the soil? The payment of rulers in some form or other is at least as old as human government The father or tribal chief is the purveyor and distributor, and has claim to a larger share than the rest The later non-natural powers followed his example and imposed a tribute, first no doubt in lawless caprice, a "fine arbitrary," but soon proportioned to the wealth of the district and limited by custom and expediency It will be remembered

that we have been speaking of Celtic communities in the pastoral stage. It is supposed that, at least in Ireland, the later stage of husbandry and settled borders was not reached until the time of Heraclius (c 650), the *Book of the Abbey of Clonmacnoise* speaks of boundaries being introduced and fields marked out when "households multiplied," when a more serious and intensive culture was demanded to supply growing needs. Now the three officials would seem to be supported in the earlier epoch, (1) by rounds of feasting and entertainment, though this may have been confined to the chieftains, (2) by a special share in booty acquired in war, (3) by customary presents, which from a very informal origin have become the present highly complicated system of organized taxation, (4) by certain rights in tribal land. To this last we would direct attention. Ownership in land is a conception that grew very slowly, and was only imaginable in an advanced development of society. When the half-nomad shepherds fixed their homes and divided their fields, the soil became the unique source of wealth, at least if peacefully won, and on its ample shoulders were placed those burdens which have never since been removed. Rights over land opposed to proprietorship in land: this is the typical feature of the manorial system, and it presents precisely the ideas of those who first fixed the proportion of produce due for the maintenance of these earliest officials with stipend.

Interesting analogies are to be found among the Aryans of India, and their method of securing the specialized services of secular and religious rulers.

This is not the place to inquire closely into the general features of resemblance, which show the singular consistence of primitive custom among mankind, and of all later development. But the reader may be reminded that the two chief types of Indian village are (a) democratic and monarchic, (b) aristocratic and co-sharing. The headman (whether elected or hereditary) is an important personage in the democratic type, and disappears (or never existed) in the jealous and narrow circle of the close family corporation. It is the latter which has given rise to the fallacy of village communism as the normal practice, a belief as fully contradicted by recent evidence as it is contrary to the instincts of men. This

latter class we may then dismiss in our survey of the land-allotment as stipend of office

In the average Dravidian village there were certain plots reserved for the chief, and for the worship of the gods, just as with us to-day there are Crown lands (whose revenues are commuted by the reigning king for a fixed payment), and the large tracts held by ecclesiastical corporations or commissioners, and the glebe-allotment in most English parishes. The *Laws of Manu*, representing an ideal society rather than actual usage, recommend the raja to allow the headman's portion to remain free of charge. Not that the State allotted this land of its sovereign bounty, for the village community with its custom long antedates the State, but it could confer the privileges of immunity, so far as its own dues were involved. It was custom alone which had conferred these plots on holders of certain offices in return for their special services; the early State, never too anxious to administer, only recognized and sanctioned. In the Dravidian village, to the present day, the headman enjoys his hereditary holding (*watan*), the *karnam* or accountant, the village watch, the sweep or scavenger (*vathriyan*), even the astrologer (*panyangan* or "Great Panjandrum") who like the Roman patrician could distinguish days of good or evil omen. The practice extended even to the menial class of resident craftsman, a curious feature of Indian life, to which Wales can offer certain parallels, these were employed by the village at a fixed rate, repaid for service either by a proportion of grain at harvest, or by allotment of rent-free land. Certain English parishes have a fixed abode for the parish clerk, allotted to him in lieu of money payment.

In the joint village of co-sharers, which has a peculiar history, and is by no means the normal type, the headman is dethroned to give place to a representative council or committee of heads of houses, the *panchayat*. Single officials who appear to be headmen (*lambardar*) are elective and titular chairmen of the board, of recent origin and slender powers, without the personal dignity and land-allotment which belong to the *potail* (or *pâtel*) of the democratic village. The absence of these privileged holdings is a clear proof of the late rise, and the jealous and aristocratic character of these villages. There is unhappily a marked tendency

to confuse the hereditary shares of the village proprietors with the *watan* holdings of the headman and other officers. It must be urged that the existence of these hereditary allotments in virtue of office (democratic) gives no countenance to the notion of joint-tenure (aristocratic); but rather excludes it altogether.

To this latter form, once presumed to represent normal practice, the *Laws of Manu* lend no support. There is no trace or mention of joint-sharing. The king receives his revenue in kind from each village, district officers act as collectors, over ten, twenty, or one hundred villages; and such officers are granted as stipend an assignment of the land-revenue share on one or two plots or "ploughs". Right in land is clearly presumed to belong to the "first clearers of the waste". The raja never granted a lordship over an entire village. No doubt in later times, royal cadets or court favourites became grantees of such rights, like Themistocles when he fled to the Persian King, or the Sultanas with their claims over Greek villages in the Morea. At first they were never recognized (as we have often averred) as owners of the soil, but merely as lords of the manor. Not yet had their heirs developed into an aristocracy of co-proprietors, and their lordship made no encroachment on the original right of the "soil-clearers" over the land they had reclaimed. "Sages who know the past," it is said, "declare that a field belongs to him who cut away the wood, who cleared and tilled it, and a stag to him who owned the arrow that struck it first."

Thus it is clear that private ownership and dynastic monarchy are to be classed amongst the earliest of human institutions, that State or communal ownership and the conversion of lord into sole proprietor are much later. The Celtic family group (*gwely*) vests in the patriarchal head of the group the sole ownership, just as in the Roman *patria potestas*. Usage and convenience might sanction actual partitions, and homesteads and cattle were certainly enjoyed by descendants as private and several, but in theory no division took place until, the limit of descent being reached, a new *gwely* was formed. Some Indian tribes (the early *Kandh*) constitute the head of the family sole owner during life, just as a polite fiction recognizes in a constitutional king the sole owner of soil, army, and ships. No doubt, the large powers and

dignified precedence of the headman is a remnant of this once autocratic patriarchy. Where a joint family system is observed, this prerogative is limited or suppressed, as in the long struggle in Greece and Rome between kingship and aristocratic republicanism. It is true that in Wales as each son reached maturity he became entitled to an additional area of maintenance, as a member of the *gwely*, not as dividing up his father's estate. But in the Dravidian village and the Welsh *gwely* alike, the power and dignity of the father is great, and forms a curious contrast to the later position of titular head, who is little more than a managing director for the coparcenary body.

In sum, both in West and East, common holding or joint-tenure is a sign of a reflected and later development. It is contractual and is founded on personal interest and jealousy rather than on sentiment. Primitive government is founded in the main on the reverence due to a father, and primitive exceptions to the patriarchal rule are still under discussion and inquiry. Again, in East and West alike, there is the conflict between the domestic and the military authority, the internal and the external, ending as among the classical nations in the break-up of the clan group and the decay of the family worship. Substituted for the old ties of sentiment and religion were the new bonds of military allegiance, and nationality founded itself on common obligations irrespective of descent. In East and West alike, the patron or lord gathered under his protection a motley assembly of clients, and gave a security which the patriarch could not guarantee. But in either clime it is safe to say that last of all the claims made by the central power or his nominee was the claim to the sole ownership of the soil.

F W BUSSELL.

SOME IMPRESSIONS OF GERMAN AND AUSTRIAN MUNICIPAL ENTERPRISE

THE following impressions are the result of a short visit, lasting only ten days, which I paid a few months ago to certain cities of Germany and Austria. But I may say that this visit was made under circumstances peculiarly favourable for the purpose of collecting information about municipal affairs. I went as a member of a party organized by the National Housing Reform Council, and in each city we visited we were, in a sense, the guests of the Town Council. Our object was primarily to see what had been done by various Municipalities with regard to Town-planning. But, as a matter of fact, we were afforded the opportunity of learning a great deal about other forms of municipal enterprise.

I take this opportunity of acknowledging the extraordinary kindness with which we were treated by the Burgomasters and other Corporation officials in every town which we visited. By the Burgomasters we were entertained with lavish hospitality, and the Corporation officials placed themselves unreservedly at our disposal, and supplied us with all available information with regard to their municipal schemes and undertakings. Wherever we went, the greatest friendship was shown to this country, and it is particularly noteworthy that in Germany we were received with a remarkable spirit of comradeship. We felt more than ever convinced that the alarmist rumours, which had lately been filling the air, were either due to the morbid imaginings of nervous journalists, or to the warlike temper which naturally pervades army circles.

I.

It is not unlikely that a good many Englishmen may be as ignorant as I was before my recent tour of the method and spirit

of local government in Germany and Austria, and also of the German system of taxation. A brief account of these matters may, therefore, be of some interest.

1 According to the German system of taxation, all taxes are levied locally. The State tax, which is the first charge, is based on income. All incomes of over £45 annually are taxed on a graduated scale, ranging from $1\frac{3}{4}$ per cent. to 4 per cent. The Municipal tax (which corresponds with our Rates) is a tax on the sum produced by the State income tax, and it varies, I believe, in different cities. For example, the city of Cologne, I am informed, levied last year a rate of 140 per cent. on the income tax paid by its citizens. A man paying £10 a year income tax to the State would pay a municipal tax of £14. Moreover, religion is a luxury which people are compelled to pay for in Germany. If a citizen attends religious services he is obliged to pay a church rate in addition to his other taxes. This is a percentage of from 7 to 20 per cent. of his income tax. The sum derived from this rate is divided amongst the various religious denominations, on what principle I am unable to say. It was interesting to learn that, at Ulm, the imposition of a compulsory church rate had not caused any decline in church attendance!

In addition to those already mentioned, there are many other taxes. There are taxes for trade and business, land transfer, licensed houses, hawkers, brewing, beer, dogs, amusements, traffic, removal of house refuse, and drams, which are levied annually. The taxing of land values, which has lately been causing such a commotion amongst us, is already in operation in Germany. There is an annual tax on the capitalized value of land at the rate of £2 per £1000. Cologne, in 1905, obtained power to levy a profit tax on the increased values obtained when land is resold. This varies from 10 per cent. to 25 per cent. of the increased price. The tax is not imposed if the land does not realize more than the price obtained at the last transfer plus the legal costs of the transfer. On an average it is computed that the middle class tax-payer contributes to the State and the Municipality about 10 per cent. of his income.

2 The following is the method which prevails in Germany for the election of Town Councillors. The electors are divided into

three classes according to their means, and each class elects one-third of the Councillors. The same system prevails in Vienna (and presumably in the rest of Austria), with this difference, that the electors are divided into four classes instead of three.

The City Council of Vienna consists of 158 elected members, who are chosen on the "four-class" system by an electorate which includes every male citizen over 24 years of age. The first three classes elect 46 Councillors each; the fourth class returns only 20 Councillors.

The first class consists of men who pay annually in taxes on property at least £10, or in taxes on houses at least £20, or in taxes on business profits at least £5, or in income tax not less than £10.

The second class is composed of the freemen of Vienna, of clergymen, higher grade employees of the State and Municipality, doctors, engineers, and all who pay £2 in taxes on any one of the objects mentioned in the first class.

The third class includes the lower grades of civil servants and all who pay any of the before-mentioned taxes to the extent of 8s. a year, the income tax limit however being £1.

The fourth class embraces all voters over 24 years of age, including those who belong to the three other classes.

The position of the Burgomaster or Over-Burgomaster in a German town is quite different from that of the Mayor of an English town. He is elected to his office by the members of the Town Council, subject to the veto of the Government, and he is paid a salary. He gives up the whole of his time to his office—in fact, it is his profession. Once appointed, a Burgomaster has a safe and permanent position, and can only be got rid of for some very serious cause, and when he retires he is usually entitled to a pension from the city he has served for the rest of his life.

Under the Burgomaster are permanent salaried officials who are also members of the Council. At Frankfort, for example, the City Council consists of 17 members of whom 9 are permanent salaried officers, while the rest are elected.

3 In regard to Municipal Enterprise in general, I was impressed by the civic spirit shown by the Corporation officials with whom I came in contact. They were manifestly proud of their city,

proud of what had already been accomplished, and keen to improve things still further. They were obviously a very competent body of men, many of them having had a university training. The Over-Burgomasters especially struck me by their forcefulness of character and their dignity.

It was remarkable to find, under a system of municipal government the reverse of democratic, that the Corporations were pursuing such a progressive policy. I am informed by a correspondent in Ulm (one of the Corporation officials), that this movement in the direction of town-improvement is to be found not only in the great cities, but throughout the length and breadth of the land. Frankly and fearlessly the Municipalities are facing their peculiar problems in the conviction that private interests must not be allowed to stand in the way of the public welfare, and they possess powers which should fill English Reformers with envy. For example, there is the power of land purchase, which has been used to such an extent in Frankfort that out of an area of 22,400 acres the Municipality owns 11,422 acres, not to speak of 955 acres which lie outside the town, and Ulm (with a population of 56,000), which in 18 years has made a clear profit of over 1,000,000 marks (£50,000) on its land purchases, still owns more than three-fourths of the freehold land within the city boundaries.

And this zeal for progress is not limited to schemes of material improvement, but is also concerned with the artistic side of life and the amenities of the city. For example, at Ulm the theatre belongs to the Corporation. During the winter half-year, the theatre is let to a director, but the town makes him an annual grant of 8000 marks, on condition that he provides cheap performances for the school children and the people. Grants are also made for town concerts, and there is a City-Violinist who is paid by the Municipality.

Again, it was contrary to all our English ideas to find the Municipality calmly invading the sphere of private enterprise, without creating any sensation or arousing opposition. At Vienna, the undertakers having shown a tendency to become more and more exorbitant in their charges, the Municipality promptly bought them all out, and now the citizens apply to the Corporation officials when they want to provide for a funeral. In

the year 1907 this department yielded a clear profit of 153,554 krone (about £6,400) The same enterprising city, a few years ago, established a town-brewery, in order to keep down the price of beer, which was being unduly increased by the private brewers

I was much struck by the largeness of view, combined with a remarkable attention to artistic detail, which seemed to distinguish the work of these Municipalities, as, for example, in the elementary schools that have recently been built These present a dignified appearance, and are equipped with broad staircases, wide corridors, well-lighted classrooms, shower-baths and spacious gymnasiums

It is worth while mentioning the fact that they have solved the religious difficulty in the schools of Germany At Stuttgart there are denominational schools for Catholics and Lutherans respectively, besides common schools, in which provision is made for the religious teaching of the children of each denomination The Catholic children are placed under the care of the parish priest, while the Protestant children are looked after by the Lutheran pastor In arranging the school staff, sufficient teachers of each denomination are appointed to assist the clergy in the religious instruction of the children The arrangement, so I was informed by an important official in the Education Department of Stuttgart, works admirably

4 Municipal government in Germany is based upon the absolutely sound principle that town affairs, like any ordinary business, should be managed by experts The Burgomaster, as already mentioned, is a man who has been trained in law and finance, and has made municipal administration his profession He is assisted by heads of departments who have each been trained for their special work. It is the custom to consult men of knowledge and experience, though they may not happen to be Town Councillors, and sometimes to co-opt them on special committees This seems to be a better system than our plan of allowing great business undertakings, such as gasworks and tramways, involving enormous expenditure, to be controlled by committees consisting of men who, as a rule, have no technical knowledge or experience of the business they are called upon to manage Moreover, the German system ensures continuity of policy, a most desirable thing in Municipal affairs, but very difficult of attainment under a system

like our own. It is true that the German system makes for bureaucratic control by permanent officials, which we profess to dread so much, and yet we put up with it in our own Government departments. In any case, it works remarkably well in Germany, and from a common-sense point of view, it does seem more sensible than our English method, which has been aptly described as that of "expert advice with amateur decision."

II

As already stated, the main object of our tour was to study on the spot German and Austrian methods of dealing with the great problems of housing and town-planning. We returned with a vast amount of information derived both from the inspection of improvements actually effected, and also from lectures delivered to us by borough engineers and architects. We were also supplied most lavishly with town plans and photographs and literature, which, from the nature of the case, are not generally accessible. Some of the information thus obtained may not be without interest to a wider circle of students.

With regard to Austria, I do not find that it possesses any special claim to distinction in the matter of housing and town-planning. The power to plan out land which is to be developed by private individuals for building purposes, is vested in the Municipality, but the latter cannot compel owners to sell land for housing purposes without a special order from Parliament. An Act was passed in 1902 encouraging the building of cheap dwellings for the working classes; and under certain conditions healthy and cheap dwellings of this class are exempted from taxes for a period of 24 years. The chief conditions are as follows: the fulfilment of certain prescriptions as to sanitation; to taking sub-tenants and bedfellows (!), the provision of a minimum space for rooms and windows; and the charging of a rent which shall not exceed a maximum of profit. Austria, as a whole, has not adopted a land purchase policy, and I understand that no Municipality, with the exception of Vienna, has bought or owns land to provide for the future growth of the town.

Vienna apparently stands alone in regard to housing and town-planning. Owing to the far-sightedness of the Burgomaster, Vienna is surrounded for all time with a girdle of woods and meadows, which can never be covered with buildings. It has the distinction of possessing a larger area of open spaces (public gardens, parks, woods and meadows) than Paris, Berlin, or London, and enjoys special legislative powers. In order to complete its green girdle, it has decided that certain wooded lands, covering an area of about 4,250 acres, which lie to the west of the city, shall not be built on. Of these the Municipality already possesses 1,625 acres, and the owners of the remainder are not allowed to sell any portion of the land except to the Municipality. Vienna has adopted the system of town-planning which finds favour in Germany. The undeveloped area is divided into three districts or zones. In the first zone, buildings consisting of five stories may be erected, in the second, they must not exceed four stories; in the third, houses of only two stories may be built, and each must stand on ground free on all sides. One district is also reserved for factories and workshops. This industrial district is situated on the side of the city opposite to that from which the prevailing wind blows, so that all the smoke and noxious smells may be driven away from the residential and business quarters out into the open country.

As I have already remarked, Austria, as a whole, is not distinguished for its housing and town-planning policy. According to the census of 1900, 43 per cent of the population of the capital were living in 161,063 dwellings consisting of one room or one room and a kitchen. Still, a certain amount of good work has been done in Vienna in the matter of town-planning, and there is a growing movement in favour of housing reform, which should be greatly strengthened by the International Housing Congress which has recently met in the Austrian Capital.

When we turn to Germany, we find a very different state of things. The prime importance of the movement in the direction of better housing and the careful planning of town extensions is widely recognized. Our attention is arrested not so much by the achievements (though in some respects these are quite wonderful), as by the general attitude adopted by some of the State

Governments and Municipalities towards the problems of housing and town-planning I think this general attitude is well expressed in an edict issued by the Saxon Ministry of the Interior, in April, 1901 After stating that the conditions of housing must be improved, the edict continues—

“ In proportion as the housing conditions are insufficient, the general working and disease-resisting power of the population is weakened, the outbreak or spread of serious diseases, especially typhus, consumption, and syphilis, is promoted, morality and contentment are undermined, intellectual training is lowered, and at the same time the economic success of the individual citizen and the general welfare of the community are endangered and injured ”

It would be worth while publishing that sentence throughout Great Britain and Ireland, and a copy of it might usefully be sent to every member of Parliament, town councillor, and corporation official It is an admirable summary of the wide-reaching effects of bad housing, and a striking testimony to the first-rate importance of the question of Housing Reform—all the more impressive because it emanates from a Government department

In the matter of Housing, so far as the results at present achieved are concerned, I think England can give points to Germany During my recent visit to Germany, I saw nothing in the shape of workmen's dwellings that can be compared with houses of the same class which have of late years been erected in our own country—*e g* at Bournville, Port Sunlight, or Earswick Some of the best examples of one-family houses were shown us at Ulm, of which that city is justifiably proud, and yet one honestly felt that we had been more successful with this class of building in England The Germans themselves admit that we have surpassed them in this respect I myself heard the Over-Burgomaster of Munich declare, at a public luncheon, that while they had much to show us that was worth imitating in the planning out of towns, the regulation and carrying out of plans for building, the laying out of open spaces and in other respects, yet, on the other hand, they must learn long and fundamentally from us with regard to housing

Again, owing to the enormous price of urban land, Germany has been building huge blocks of tenement dwellings of the “Peabody” type I cannot recollect any special feature of

excellence about those which I had the advantage of inspecting. As an example, however, of German thoroughness and attention to detail, I may mention that attached to one block of tenements in Munich was a sort of foster-mother, whose business it was to look after the little children during the daytime and organize their games, also that, at Vienna, attached to a similar block, was an admirable little surgery where the doctor could receive and examine his patients.

But I think it cannot be denied that Germany is far ahead of this country in two respects. First, the power to purchase land is possessed and exercised by many Municipalities. Herr Braun, President of the Department of Agriculture, Commerce, and Manufactures in the Ministry of Hesse has laid it down as the first condition of success in any attempt to solve the Housing Question, that land which is necessary and suitable for the erection of houses for working people both in town and country shall be secured by timely and quick action. This truth has long been recognized in Germany, where excessive speculation in land has resulted in an enormous inflation of prices. The cost of building land in some towns reaches from £10,000 to £15,000 an acre.

Many Municipalities have bought land freely. For instance, Ulm adopted the land purchase policy in 1891, and now owns more than three-fourths of the freehold land within its boundaries, as well as a large area in the outlying country. By the sale of some of its land, the town made a profit of over £50,000. In addition, this municipal control of land prevents that enormous inflation of prices (often due in the first instance to commercial enterprise) from which the country is suffering so much, it enables the town to foster existing industries and encourage the starting of new ones; it places the authorities in a peculiarly favourable position to deal with the great problems of housing and town-planning, and finally, it keeps down the rates. Notwithstanding its remarkable enterprise and lavish expenditure for municipal objects, the rates of Ulm are lower than they are in any of the other large towns of Wurtemberg. No town land is sold except on the condition that it is built upon within a certain period. If the purchaser does not build upon it within the specified time, or wishes to transfer it, the Municipality reserves the right to

resume possession at the selling price with the addition of 3 per cent interest. Land is sold for workmen's dwellings at a very moderate price, but always under conditions which prevent the houses being sold at a profit.

The following figures are interesting as showing the extent to which the policy of land purchase has been adopted by German towns. The proportion is expressed in square yards per head of the population. Posen has 10 square yards, Dresden 14.23, Krefeld 14.95, Essen 17.70. Only 7 of the 31 have less than 23.94 square yards per head. Six have from 23.94 to 59.80. Nine towns have from 59.80 to 119.60. Berlin has 84.91. Five towns have from 119.60 to 239.20, and four towns have more than 239.20. Strassburg heads the list with 364.78 square yards per head of its population. Most of these towns are actively increasing their holdings of land.¹ In the event of a private owner being unwilling to sell to the Municipality, he can be compelled by the State Parliament to do so, if it can be shown that the possession of the land is necessary for the welfare of the town.

Secondly, Germany is far in advance of us in respect of the town-planning powers possessed by Municipalities. At Stuttgart, for instance, all suburban extensions must comply with a definite plan for the whole town as adopted by the Corporation. The general mode of procedure is as follows. First, the chief engineer draws up a plan which is submitted to the Corporation for their consideration. Next, it is submitted to public inspection, and the owners of property have the opportunity of raising objections, which may or may not be allowed. Finally, when the plan is settled by the Corporation, it has to be presented to the Government of Wurtemberg for sanction. The general aim is to preserve the natural beauties of the situation, and ensure that all the buildings to be erected shall be artistic and harmonious. Stretches of woodland in the neighbourhood are to be kept free from buildings for all time. The Corporation have absolute control over the making of streets—their direction, width, purpose, and the nature of the buildings to be erected on them.

When we compare these generous powers and the freedom with

¹ Cf. Horsfall, *The Improvement of the Dwellings and Surroundings of the People*.

which they are used with the meagre byelaws of an ordinary English town, we realize how far Germany has forged ahead of us in this matter of town planning. For example, in Bury (the town with which I am most familiar) the Local Authority has scarcely any control over the development of the town; and, till the recent Act, had no power of planning out extensions beforehand, which is of the essence of town planning. Under the Bury byelaws—and they are typical of those which prevail throughout the country—an owner has power to run a street in any direction, provided it is of a width approved by the Corporation, and is connected with an existing road. The only control the authorities possess over the style of architecture is in the case of buildings erected on any ground which may have become “front land” owing to improvements carried out by the Corporation. The Corporation has no control over the character of the property built in any part of the town except by raising the side issue of the height of the building or the street level, and the only restriction as to the number of houses to the acre is that which is indirectly defined by the width of the streets, and the space at the rear or side of the buildings.

III.

Since the foregoing was written, the situation in England has been greatly altered for the better by the passing of Mr. Burns's Housing and Town Planning Bill. The new Act confers upon local authorities large powers with regard to land purchase and town planning. Unfortunately, some of the most important clauses are permissive instead of being compulsory, and they will only take effect where public opinion is strong enough to force the hands of the Local Authority. The apathy and indifference with which the questions of housing and town planning are regarded by the average citizen in this country are amazing. And yet of all the problems which are occupying the attention of social reformers, not one has so vital a relation to the health and happiness of the people, as well as to the progress of the nation, as the problem of providing the workers with healthy and beautiful homes.

A few facts and figures, taken largely from official returns, will make this clear

In 1903, when the death-rate was the lowest on record, it is estimated that there were not less than 100,000 deaths in England and Wales that might have been prevented

In Lancashire and Yorkshire, with a population of 7,203,613, the number of deaths in 1903 amounted to 128,212 and the infant mortality to 152 per 1000, whereas in London, Middlesex, Berkshire, Hampshire, and Surrey with practically the same population (7,182,318), the total number of deaths in the same year was 104,194 and the infant mortality 118 per 1000. In other words, there were 23,268 more deaths in Lancashire and Yorkshire than in a less overcrowded district with the same population, and an infant death-rate of 34 per 1000 more !

Again, in Birmingham in 1904 the death-rate was 19.3 per 1000, whereas in Bournville, a few miles away, it only reached 6.9. In the same year, the infant mortality in St. Mary's Ward, Birmingham, was 331 per 1000, but in Bournville it was only 65 per 1000.

In 1906, 139,497 cases of infectious diseases were notified in half the country. These cases were four times more numerous in overcrowded districts than elsewhere.

Drunkenness and pauper lunatics are found most in overcrowded neighbourhoods. A London County Council return for 1907 contained the following statistics showing the relation that exists between overcrowding and lunacy —

	Persons per acre	Lunacy rat
All London	58	1.9
Bethnal Green	171	6.7
Holborn	186	8.2
Strand	143	11.0

At the British Congress for the prevention of Consumption, the late Professor Koch said—

“Consumption is by no means hereditary, germs do not pass from father to son in the blood. The worst peril is to the poor in overcrowded districts. It is not poverty itself that favours consumption, but the bad domestic conditions in which the poor live.”

The following remarkable statistics bear witness to the influence of housing upon child life. They are taken from reports given by

Mr George Cadbury for Bournville, Mr W H Lever for Port Sunlight, and the Scotch Education Department for Glasgow —

The boys at Bournville school were, on an average, 4 inches taller than those of Birmingham, and the chest measurement 3 inches greater

In the Council schools of Liverpool attended by children of the poorest class, the average height of boys of 7 years was 44 inches, and the average weight 43 lbs , at Port Sunlight the average height of children of the same age was 47 inches and the average weight 50 5 lbs At later ages an even greater disparity was disclosed

At Glasgow it was found that boys from two-roomed houses were 11 7 lbs lighter on an average than boys from four-roomed houses, and girls from one-roomed houses were 14 lbs lighter and 5 3 inches shorter than girls from four-roomed houses

The expense entailed upon the community and upon individuals in consequence of bad housing is enormous In 1904, the loans outstanding in respect of Cemeteries, Hospitals for Infectious Diseases, Lunatic Asylums, Workhouse and Poor Relief amounted to £31,474,212 The amount expended out of loans in 1903-4 for the same objects was £2,917,409, and £14,681,170 out of rates There is no doubt whatever that a large proportion of this expenditure would have been saved, if the people had been decently housed For example, within the last quarter of a century, Sheffield has borrowed £150,000 for the building of Fever and Isolation Hospitals, entailing about £6,500 per annum for interest and repayment charges, and about £20,000 a year for maintenance and up-keep Most of this enormous expenditure has been incurred for the cure of preventable disease, which is largely caused by bad housing The indirect cost to individuals and the indirect cost to societies and ratepayers through loss of employment, sickness and death cannot be stated. But its magnitude is indicated by the payments made annually by friendly and other societies In 1904, 14 large friendly societies with 3,342,255 members spent £3,245,328 in sick and funeral benefits, or nearly £1 per member.

To conclude No doubt, most people would maintain that there are features of German and Austrian municipal enterprise

which belong to the genius of those nations, and which could not be adopted in this country. But I am sure there is much we can learn from them. It is hard to doubt that our English towns would be vastly improved, and life made more healthful and happy for our people, if only it were recognized both in legislation and in practice that the welfare of the community must take precedence over vested interests and private property—if only it were recognized that the Municipality has the right, in justice and in reason, to undertake any service that is now being rendered by private enterprise, provided it can be shown that it can be rendered more efficiently by the community. And it cannot be denied that we need nobler conceptions of civic art and life, such as we see moulding the policy and animating the work of Municipalities in Germany and, to a less extent, in Austria.

EDWARD A. GLENDAY

SOCIAL CONDITIONS AND THE PRINCIPLES OF 1834

IN the first of these two articles it has been suggested that, owing to the violent changes in the localization of industry, in its organization, and in the conditions of the market, the rate in aid of wages was a simple necessity at times during the period of the Industrial Revolution. It will be said, however, and in fact the Minority Report, endeavouring to put a charitable construction on the work of its predecessors, does say, that however serious may have been the state of things in the industrial districts, "with all this Able-bodied Destitution the Royal Commission of 1832-34 chose not to concern itself . The Commissioners concentrated their whole attention on one plague-spot—the demoralization of character and waste of wealth produced in the agricultural districts by an hypertrophied Poor Law"¹ It has already been pointed out that one cause of the distress in the agricultural districts was that districts which had been predominantly industrial up to the first quarter of the nineteenth century, had in the second quarter become almost entirely dependent on agriculture, and that throughout the country the loss of various industrial by-employments was very severely felt. But even apart from this, the essential evil in the agricultural counties was not their pauperization, but their proletarianization. If the story of the handloom weaver in this period is one long tragedy, so also is the story of the agricultural labourer. And the case of the latter was the case of about 30 per cent of the total population of Great Britain²

Dr Hasbach tells the story of this tragedy in his *History of the English Agricultural Labourer*. The central fact of it is

¹ *Report of 1909*, p 1036

² Porter, *Progress of the Nation*, 2nd ed, p 52

this that up to the middle of the eighteenth century the great majority of the agricultural population held land and stock, or, at the lowest, stock with some rights of common. The enclosure movement of the ensuing hundred years swept away these rights and ownerships, and (here was the fatal mistake in policy) put nothing in their place. It was deliberately held to be desirable to establish a proletarian class of mere wage-earners, wholly dependent on what employment they could obtain from landlord and farmer. Yeomanry, copyholders, small farmers, cottiers, squatters, all vanished. In the first half of the eighteenth century it was still possible to speak with truth of a village community. By the first half of the nineteenth the large farmer stood predominant, fronting the landless, resourceless labourer. The first notable result, here again, was loss of stability. The economy of the older race had been very largely production, not for the market primarily, but for immediate consumption. Thus they had been independent of fluctuations, and even the labourer-cottiers "were not very hard hit even by occasional unemployment." The new system meant production primarily for the market; farmer and labourer alike depended on its fluctuations. The picture painted, for example, by Cobbett in 1822-26, is not much less pathetic as regards the farmers than as regards the labourers. Only with the former it was a question mainly of social ruin, with the latter, one of actual bread or no bread.

"Without land and without capital then, the labourer had become the plaything of prices and taxation, even when he had work, and therefore wages to spend. What was his lot when he had no work, or when he was or became unable to work? Davies gives us the answer. 'In either case their sole resource is the parish.'"¹ Or again "Young strikes out the picture (of an enclosure) in one brief sentence: the poor 'deprecating the measure while in operation, selling their cows when finished, and pouring into the vestry, clamorous for relief.'"²

"Go to an alehouse kitchen of an old enclosed county, and there you will see the origin of poverty and the poor rates

¹ Hasbach, *op cit*, p 131

² *Ibid*, p 112, n 2, quoting Young's *Annals*, XXXVI, 529

For whom are they to be sober? For whom are they to save? . . . You offer no motives, you have nothing but a parish officer and a workhouse! Bring me another pot!"¹ So also the Rev. J Howlett "Whatever their vice and immorality, I must again maintain, it has not originally been the cause of their extreme indigence, but the consequence." "Shall we grind their faces, and squeeze them to death, and then have the cruel absurdity of ascribing their fate to their increasing vice and profligacy?"² The latest comprehensive student of the subject, Dr Gilbert Slater, sums up in the same sense He says—

"Arthur Young did not overstate the case when he wrote 'By nineteen Enclosure Acts out of twenty, the poor are injured, in some grossly injured The poor in these parishes may say, and with truth, *Parliament may be tender of property, all I know is, I had a cow, and an Act of Parliament has taken it from me*'"³

That was the essential injury done to the peasantry From small holders they had become mere labourers Dr Hasbach adds five supplementary causes of the extreme misery into which they fell First, the rise in the price of provisions. Prices were rising considerably between 1760 and 1793, and after that still more sharply Dr Hasbach's estimate is that they rose from 60 to 100 per cent between 1760 and 1805, while wages did not rise more than 60 per cent By 1812 the rise in prices was 134 per cent, while that of wages was only 100 per cent This failure of wages to rise adequately cannot, he says, be ascribed to the action of the Poor Law authorities, since the supplementing of wages was only occasional, not general, during this period In fact, it is of course generally recognized that real wages will not keep steadily level with rising prices, and may not even in the long run regain their former level. The second aggravating cause was irregularity of employment. The amount of employment at wages created by the new system was not sufficient to give regular work to the proletarian army created to meet it Winter unemployment in particular was a

¹ Young, *Annals*, XXXVI, p 508

² Howlett, *The Insufficiency of the Causes to which the Increase of our Poor and of the Poor's Rates have been Commonly Ascribed*, 1788, pp 30, 75

³ Slater, *The English Peasantry and the Enclosure of Common Fields*, p 128

serious evil. Thirdly, he notes this surplus labour as an evil in itself. It aggravated the tendencies towards the fall of real wages and towards the formation of a system of irregular employment. He contrasts the regularization of employment which has taken place since the rural exodus began. In the period we are considering, the peasantry were not only proletarianized, they were also casualized. And we have been told by the investigators of the latest Poor Law Commission that it is roughly true "that we may pauperize as many as we care to casualize"¹. The fourth point noted is the disappearance of by-industries, especially of spinning, a point whose importance has already been indicated. Lastly, there was the demoralization which ensued from enforced idleness, on the one hand, and absence of motive for saving on the other. The small holders of old, when not working for an employer, had been able to turn their time to good account in connection with their own land, live-stock, or tools and appliances, and they had thus found opportunities for extending their holdings or increasing their stock. Cow and land had been their savings banks. As yet there were few others which could be trusted, and their time could no longer be turned into money. As Eden put it, the changes

"obliged small industrious farmers to turn labourers or servants, who, seeing no opening towards advancement, become regardless of futurity, spend their little wages as they receive them, without reserving a provision for their old age, and, if incapacitated from working by a sickness that lasts a very short time, inevitably fall on the parish"².

It is evident on the face of it that under these conditions, wages could not by the mere action of demand and supply be kept up to any decent standard. It was not the Poor Law allowances which essentially depressed them. They were by the mere conditions of the market depressed below maintenance level. The economists suggested that if they were only sufficiently depressed the labourers would migrate, or perhaps

¹ *Report of 1909*, p. 1151 n, quoting *Final Report on Effect of Outdoor Relief*, by Mr Thos Jones, p. 55

² Eden, II 147

die off, or would at any rate refrain from marrying, and so allow the balance to be redressed. Unfortunately, their psychology was at fault. A population depressed below the level of physical efficiency is, of course, the last kind of population to take energetic measures to restore its position. Public sentiment would not allow actual death by starvation, at least not as a normal and visible matter ("hundreds have died, thousands will die, of starvation," wrote Francis Place of the miserable year 1817)¹ And we know now that a population reduced to mere subsistence point, and having no motive for providence, will continue to "contract improvident marriages," or otherwise to multiply, in spite of superior persons' views of its duty in the matter. The administration of the Poor Law probably did aggravate this tendency. It certainly did not create it.

Let us see rather more in detail, from contemporary evidence, what the state of misery was to which the population was reduced. There are two groups of evidence: those which centre about the famine year 1793, of which we may take as typical Sir Frederic Eden and David Davies (Vicar of Barkham, and apparently author of the Speenhamland policy), and those of the later peace period, from 1817 onwards almost continuously to the Poor Law Commission itself. In the first decade of the nineteenth century agriculture was generally flourishing under the stimulus of high corn prices, the demand for labour was comparatively brisk, the army and navy took off considerable numbers of men, and the condition of the labourers appears on the whole to have been somewhat better than just before or just after. Those of the *Agricultural Surveys* published or revised during this decade, though they give anxious attention to the questions of "The Poor," and "The Poor Rates," yet do not give the impression of acute crisis, as the writers of our other periods do. Whitbread, speaking in Parliament in 1807, expressed himself, though rather doubtfully, as "willing to believe" that the readiness to resort to parochial relief induced "during the continuance of scarcity, and even for some time after it had ceased," was "gradually wearing off, that the

¹ Wallas, *Life of Place*, p. 115

mind of the labouring class was recovering its elasticity, and that the proper pride of independence had, in a degree at least, resumed its place "¹ The two charts annexed to Mr Meredith's *Economic History* show that both nominal wages and wheat-wages were rising in the period 1800-15, while after that both fall pretty steeply for ten years or so, nominal wages very steeply indeed This, of course, indicates only the position of such labourers as were in work The two periods of acute distress seem to be differentiated from each other by the fact that the main cause of difficulty in the earlier period was the high price of provisions relatively to wages, the main cause in the second was unemployment

In the earlier period Davies thus states the case of his parish, which seems to have been a representative one—

"In visiting the labouring families of my parish, as my duty led me, I could not but observe with concern their mean and distressed condition I found them in general but indifferently fed, badly clothed, some children without shoes and stockings, very few put to school, and most families in debt to little shop-keepers In short, there was scarcely any appearance of comfort about their dwellings, except that the children looked tolerably healthy Yet I could not impute the wretchedness I saw either to sloth or wastefulness For I knew that the farmers were careful that the men should not want employment, and had they been given to drinking, I am sure I should have heard enough of it . These poor people, in assigning the cause of their misery, agreed in ascribing it to the high price of the necessaries of life "²

In time past, "flesh-meat, butter and cheese," as also milk and fruit, had been within their reach,³ but now they have not even garden ground enough to grow potatoes sufficient for a family,⁴ and "bread makes the principal part of the food of all poor families, and almost the whole of the food of all such large families,"⁵ *i.e.* such as have four or five young children As to drink, the malt-tax has deprived them of their home-brewed small beer (this is a frequent complaint), milk the

¹ *Substance of a Speech on the Poor Laws*, by Whitbread, p 185

² Davies, *The Case of Labourers in Husbandry*, p 6

³ *Ibid*, pp 31-34

⁴ *Ibid*, p 35

⁵ *Ibid*, p 21

farmer will not sell them, and "the only thing remaining for them to moisten their bread with, was tea"¹ "Few poor families can afford themselves more than 1 lb of meat weekly"² The six specimen budgets which he gives show that even at this low standard of life the labourers did not succeed in making their income (8s 6d a week, on an average, including harvest earnings and wife's earnings) cover their expenditure

Eden, whose materials were collected in 1795 and 1796, a year or two later than Davies', shows the same state of things "The poor, in most parts of Kent, ten years ago, always ate meat daily, they now seldom taste it in winter. tea, bread, potatoes and cheese, constitute their usual diet"³ At Hothfield in this county, "agues are very common, they are, principally, ascribed to a low diet Bread is the chief food of labourers"⁴

In Leicestershire—

"The following is a statement of the earnings and expenses of a labourer's family in this parish (Kibworth-Beauchamp) The labourer is forty years of age, has a wife and five children," aged from fourteen years to eighteen months His earnings, "as near as he could calculate," were as follows, for one year, beginning at Michaelmas —

	£	s	d	£	s	d
26 weeks, worked on the canal, at 2s a day, weather permitting, when weather prevented, allowed by parish 1s 2d Computes he thus received 8s 6d a week on an average	11	1	0			
The succeeding 13 weeks, about 9s a week	5	17	0			
The summer quarter, 8s 6d a week, 13 weeks	5	10	6			
And victuals, estimated at 6s a week	3	18	0			
	<hr/>			26	6	6
Eldest girl earns by spinning 2s a week	.			5	4	0
				Total income	£31	10 6

"This family uses 6 lbs of bread a day, which lately sold for 2s, and was formerly about 10d, at present, 1s 6d" per annum

£27 6 0

Or more than the total income of the father, including the out-of-work pay from the parish. In addition, the parish pays

¹ Davies, *The Case of Labourers in Husbandry*, p 23

² *Ibid*, p 19

³ Eden, II 280

⁴ *Ibid*, 288

his house-rent and finds him fuel, and has now just begun to allow him also 2s a week

“He could give but little account of his other expenses, but says that they use little or no milk or potatoes, that they seldom get any butter that they occasionally buy a little cheese, and sometimes have meat on a Sunday, that his wife and daughters consume a small quantity of tea, but that bread is the chief support of the family, and that *they have far from a sufficiency of that article at present*, that they should use much more if they could procure it, and that his children are almost naked, and half-starved”¹

He gives in an appendix sixty-six labourers’ budgets, from twelve different counties, collected in January and February, 1796, all but eleven of which show a deficit at the year’s end. Yet the expenditure on anything but bread is very low. Bread-riots, of course, occurred in various parts of the country, and were put down by the military.²

In these circumstances it became evident that something must be done. Davies suggested two policies. Either wages must again be assessed by law,³ or if wages were not to be raised, an allowance to meet the present distress (which, be it remembered, was supposed to be only temporary, resulting from particular bad harvests) must be made by the parish, and he sets forth in detail the principles of the famous “bread and children scale.” Dr Cunningham tells us that there was “a very general feeling” in favour of the former course.⁴ Not only Davies, but the other great clerical champion of the labourers, namely Howlett (an Essex vicar), and also Governor Pownall, wrote advocating it. It was under discussion in Young’s *Annals*, and “Arthur Young appears himself to have inclined to approve” it. The Suffolk justices sent a petition to Parliament in its favour (and apparently also those of Norfolk⁵), as did a meeting of Norfolk labourers held in Heacham church in November, 1795. “The labourer is worthy of his hire,” said they, “and the present mode of lessening his distresses, as hath lately been

¹ Eden, II 380-1

² *Ibid.*, II 449, 584 f. etc

³ Davies, *op cit*, p 106

⁴ Cunningham, *op cit*, p 716

⁵ Cp Burke, *Thoughts and Details on Scarcity*, Works, ed 1852, V 191

the fashion, by selling him flour under the market rate, is not only an indecent insult on his lowly and humble situation . . . but a fallacious mode of relief " Whitbread brought the project before Parliament in more than one session But by this time, as Mr and Mrs Webb tell us in their account of the similar attempt of the industrial workers to get the law of the land put into operation, Parliament had adopted the Gospel of Administrative Nihilism "The governing classes, who had found in the new industrial policy a source of enormous pecuniary profit, eagerly seized on the new economic theory as an intellectual and moral justification of that policy " ¹ Burke's view of the matter is well-known, and has already been partly quoted above. "Labour is a commodity like every other, and rises or falls according to the demand This is in the nature of things" "In the case of the farmer and the labourer, their interests are always the same, and it is absolutely impossible that their free contracts can be onerous to either party" "It is not in breaking the laws of commerce, which are the laws of nature, and consequently the laws of God, that we are to place our hope of softening the Divine displeasure to remove any calamity under which we suffer, or which hangs over us" "Patience, labour, sobriety, frugality, and religion, should be recommended to them. The rest is downright fraud." ² So far Burke in 1795 Pitt, in his speech in the House on Whitbread's Wages Regulation Bill, in 1796, put the current philosophy in a nutshell when he asked, "Was it not better for the House, then, to consider the operation of general principles, and rely upon the effects of their unconfined exercise ?" They were at present confined in their exercise he thought, by the law of settlement. Amend that, and doubtless all would go well ³ In the same sense the famous Speenhamland resolution alleged that "it is not expedient for the magistrates (to regulate) the wages of day labourers according to the directions of the statutes of the 5th Elizabeth and 1st James." In the existing state of mind of the governing classes the old policy, and the policy appealed to by the people, of

¹ Webb, *History of Trade Unionism*, p 49.

² *Loc. cit*

³ Quoted in Eden, Appendix XI, p cccix

enforcing the maintenance of the standard of life by the device of a Legal Minimum Wage had no chance of execution

But at the same time the magistrates, faced in their divisions with the immediate problems of starvation and riot, could not, either as humane persons or as responsible for the maintenance of the peace, follow Pitt's cool advice to leave the matter to the "unconfined operation of general principles" The case appeared to them and to the farmers as one of temporary necessity occasioned by bad harvests, though in fact the bad harvests were only an aggravation of the general tendency of prices to rise The immediate aggravation was, however, striking and very serious It seems to have been generally held, in spite of Burke, that the labourer's income ought to move with the price of provisions But the farmers would not act on this because the rise involved was really very great, and they were afraid of what might happen when the fall in prices which they anticipated came about It seems worth while to quote at length such evidence as may be met with in the official publications here cited on the origin of the allowance system, which brings out this point and some others of interest regarding the motives which originated it The period, of course, was the period of the French Revolution at its worst, and the English dread of revolution at its highest

In the report of 1834, C. P. Villiers, Assistant Commissioner for Warwickshire, Worcestershire, Gloucester and North Devon, says that he found on inquiry that the system there originated about 1797 and 1800 (two of the famine years) owing, on the one hand, to a fear that wages might rise "to a height from which it would be difficult to reduce them," and on the other, that labourers might be exposed to "privations to which it would be *unsafe* to expose them" Also—

"it was deemed wise by many persons at this time to present the Poor Law to the lower classes as an institution for their advantage, peculiar to this country, and to encourage an opinion among them, *that by this means their own share in the property of the kingdom was realized*"¹

¹ Report of 1834, Appendix A Pt II On this last point cp Davies, *The Case of Labourers*, p 28, and Slater, *op cit*, pp 125 f, and refs there given

Majendie, reporting on the south-eastern counties, says —

"The mode in which it (the allowance system) crept in was thus explained to me by a magistrate of long experience at Seven Oaks in Kent. At the time of the scarcity about the year 1800, when the price of flour was at its highest, it was feared that if labour were allowed to rise according to the price of food, there would be a difficulty in receding when provisions fell. The magistrates therefore recommended that the wages should be calculated so as to be sufficient for the maintenance of an able-bodied man, his wife, and two children, and that a regular weekly allowance should be made for all above that number. That which was adopted at a moment of difficulty was continued in the southern counties as an established practice" ¹

Maclean says of Surrey, West Sussex, and Middlesex —

"I found great difficulty in ascertaining the period at which the system of relieving able-bodied men on account of their families originated, but this difficulty, as relates to the west part of the county of Sussex, was removed by the kindness of Mr Woods, who stated to me, that as well as he could recollect after so distant a time, the system of parochial relief, on account of the dearness of bread, commenced after the high prices of 1795. It was then only occasional, till the still higher prices of 1800 and 1801, when the magistrates of the bench of Chichester recommended (instead of advancing wages in proportion to the times) to the various parishes to make certain allowances" ²

The Lords' Committee on the Poor Laws, in 1830-31, was also informed that in Kent—

"The system of giving parish allowances in aid of wages has existed ever since the year 1797 or 1798, when corn rose to £30 or £40 a load; previous to that time, from the year 1783, which is the earliest time that I recollect the parish, to 1793 or 1794, or perhaps 1795, very little variation took place in the condition of the labourers." ³

It is clear, however, from evidence before the earlier Committees, that in some counties, particularly in the eastern counties, the expedient was hardly, if at all, made use of until the second period of stress, namely, that of 1817 and onwards

¹ *Ibid.*, p. 167

² *Ibid.*, p. 547

³ *Report of Lords' Committee on the Poor Laws, 1830-31, Minutes*, p. 22

Before the Lords' Committee of that year a Bedfordshire and Huntingdonshire magistrate states that "the practice of charging the necessary increase in the wages of labour to the poor's rate" has indeed "occasionally occurred for the last eight or ten years, when provisions have been higher than usual, but it has not prevailed to any great degree till within the last two or three years"¹ Before the Committee on the Depressed State of Agriculture, 1822, a Norfolk farmer and miller describes the application of the allowance system in his hundred in 1817 and 1818, evidently as a new thing. The cause, he thinks, was then still high prices. "There was no want of employment, but the sum paid to them was not sufficient to maintain those who had families. . . I recollect giving in that year (1817) as high as 9s a quarter for wheat . . . It is within a very few years that I ever knew a labourer in our parish to want employment." But now (1822) the trouble is "from the inferior labourers being turned out of employ. . . from the inability of the farmer to pay them, that is the first cause. We have a description that are dreadfully distressed, men labouring for 9d or 1s a day, or going on the roundsman system"² Another Norfolk farmer states that the allowance system has been in use in his parish "for several years," and being asked whether that includes the time "previous to the great increase of the poor rates," i.e. previous to the peace, he says "No, since the increase."³ Even of Wilts it is stated that "the poor rates," which were administered on the allowance system, "began to advance rapidly after the year 1816." There was "very much" unemployment there. "The principal cause is the inability of the farmers to pay them their wages"⁴ So in the 1834 Report, the Rev P Blakiston, writing on Hampshire, places the origin of the allowance system "after the war had ceased," when, land going out of cultivation, "the labourer was placed in some degree at the mercy of the farmer, owing to the redundancy of labour"⁵

¹ *Report of Lords' Committee on the Poor Laws, 1817, Minutes*, pp 71 f

² *Report of Committee on the Depressed State of Agriculture, 1822, Minutes*, pp. 38 f

³ *Ibid* p 94

⁴ *Ibid* pp 80 f

⁵ *Report of 1834, Appendix C, p 6*

"The redundancy of labour" in the agricultural districts was, as a matter of course, the great difficulty when the peace conditions sent the price of corn tumbling down to an extent that no corn law could meet, while what the corn laws could and did do was to aggravate the always disproportionate rise of prices consequent on any failure in the harvest, and so to increase the speculative nature which the business of farming had now taken on. A representative statement before the 1822 Committee on the Depressed State of Agriculture was that of a Suffolk farmer, who, being asked his view of the position of "the labouring poor" as compared with what it had been five years before, replied—

"I think many of them are much worse. Those men who are good workmen, and in regular employment, I do not conceive are much worse, I think they are better, but a great number of hands, in consequence of the times, are thrown out of employment and maintained by the parish at a very small pittance indeed."

The number in the House of Industry in his hundred had increased from under 200 to 480¹. Mr Courthope, in reply to the queries of the Commissioners of 1832-34, writing from the much-pauperized county of Sussex, stated—

"I conceive the poor have no reason to complain of the amount of the daily or weekly wages" (2s 3d a day was the existing rate in his neighbourhood), "but the hardship consists in their not being able to obtain regular employment, the distress of the farmers having led to a practice of dismissing their labourers from day to day, and thus throwing them for support on the poor-rate whenever they have not pressing occasion for their labour. As to a poor family laying by, it is quite out of the question"².

The Emigration Committee of 1826 reported—

"That there are districts in England . . . where the population is at the present moment redundant . . . that the effect of this redundancy is not only to reduce a part of this population to a great degree of destitution and misery, but also to deteriorate the general condition of the labouring classes, that by its producing a supply of labour in

¹ *Committee on the Depressed State of Agriculture, 1822, Minutes*, pp 84 ff

² *Extracts*, p 44

excess as compared with the demand, the wages of labour are necessarily [*sic*] *reduced to a minimum which is utterly insufficient to supply that population with those means of support and subsistence which are necessary to secure a healthy and satisfactory condition of the community.*"

It had been suggested to them that it was the poor rates which enabled wages to be thus kept down but they reply by citing the case of Ireland, where, though no such rate was by law established,—

"the redundancy is found in a still greater degree, a considerable part of the population is dependent for the means of support on the precarious source of charity, or is compelled to resort to habits of plunder and spoliation for the actual means of subsistence"¹

The distress thus created was terrible In Lincolnshire in 1817 "Spalding has been in the same situation as I imagine other places have been in, that people have not known how to get bread for want of employ"² In the Isle of Wight the solicitor to the guardians states "A great many of them (labourers in receipt of relief) are labourers out of employ, who have been obliged to be relieved for the support of their families, not being able to find labour The average of wages I should think at this time is from 9s to 10s, some few so low as 8s" . . "You have stated," he was asked by the Committee, "that the poor, who formerly used to have a great objection to the poor-house, had got rid of that objection, to what do you attribute that change of feeling?" "*I think it is from the necessity they feel, that the price of labour will not enable them to maintain themselves*" The Committee then pressed this witness to subscribe to their general view, that the poor rates themselves were the cause of all the trouble but he sticks to it that: "if they could get the means of obtaining sufficient to maintain their family by labour, I think they would" "I think we have at present so many labourers in the country that there is a competition for labour, and therefore the farmers, if there were no poor rates at this time, would be able to get the

¹ *Report of Select Committee on Emigration, 1826, p. 3.*

² *Report of Lords' Committee on the Poor Laws, 1817, p. 111.*

labour done for perhaps a little more than they pay at present," but still, that is, for an inadequate wage "We have more labourers in the country at present than the farmers can find employ for"¹ In Wilts—

"The paupers at a former period have exerted themselves to the utmost to keep themselves off the parish books, but owing to the present circumstances of the times, they are thrown suddenly on the parish books *from necessity* Wages vary from 7s to 8s. a week, and I believe at this moment if I were to reduce my labourers to 5s. a week they would not leave me; they could not get work"²

The evidence before the 1822 Committee is the same or worse. In Berks—

"With very few exceptions, I believe the poor in the villages are far worse off than they were when the occupier of the soil was in prosperity, and indeed some of the poor are nearly starving, especially those who are old and infirm. and as numbers of labourers are out of employ, they for the most part are reduced to bread allowance they are extremely bad off, and very dissatisfied"³

Men were discharged "on account of the inability of farmers, at present prices, to pay them," and from the same cause the little village tradesmen, "blacksmiths, tailors, shoemakers, collar-makers, and basket-makers," were reduced to the necessity of applying for relief⁴ In Sussex the roundsman system had recently been introduced "four or five years ago I do not think there was one instance of it in this county"⁵ In Kent "The employed are in a very good state, the unemployed are in a very bad state"⁶ "The inability of the farmers to pay" was very real. On all sides they were falling into bankruptcy and ruin

"Could you see and hear what I have seen and heard during this Rural Ride," wrote Cobbett in this same year, 1822, "you would no longer say that the House 'works well'" Thousands of men are "doomed to beggary, to beggary, too, never thought of, never regarded as more likely than a blowing up of the earth or a falling of the sun.

¹ *Report of the Select Committee on the Poor Laws, 1817, Minutes*, pp. 96 f

² *Ibid.*, pp. 86 f

³ *Committee on the Depressed State of Agriculture, 1822, Minutes*, p. 136

⁴ *Ibid.*, pp. 135 f

⁵ *Ibid.*, p. 54

⁶ *Ibid.*, p. 73

It was reserved for this 'working well' House to make the firesides of farmers scenes of gloom. These firesides, in which I have always so delighted, I now approach with pain. How many men, of the most industrious, the most upright, the most exemplary upon the face of the earth, have been driven to despair, ending in madness, or self-murder, or both."¹

As to the labourers, it seems probable that the standard of life was permanently lowered at this time still further than it had been in the last quarter of the eighteenth century. It will have been noticed that bread and tea was the diet to which they were then said to be reduced. It was a matter of complaint that they could not be induced to resort to potatoes, which were cheaper. In this period of low prices but unemployment we hear more of potatoes as a staple diet. "Potatoes they resort to very much at this time," says an Essex witness.² Wages had fallen more than in proportion to the price of food. "In our county, Sussex, the wages of a man and his wife and one child in 1813 were 13s. a week, his wages now are 9s. a week—flour (was) at 1s. 9d. a gallon—now 1s. 3d. a gallon, the difference in the consumption of flour would be only 1s. 6d., leaving him 2s. 6d. less to purchase other necessaries."³ Even in Cumberland, a member of the Committee gave it in evidence that—

"Supplying the greatest part of those employed, both in the collieries and in the farm (a large farm where the wages bill had been £2400, but was now reduced by 'pretty nearly £380') with their bread corn for many years, I have had an opportunity of observing, notwithstanding the reduction in the price of wheat, which is now about 2s. 6d. a stone, the consumption is considerably less than it was when formerly it was at 5s. The deficiency is supplied by barley and potatoes. Potatoes have become in a great measure the food of the labouring classes."⁴

This distress and misery was no transient phenomenon. Committees and Commissions one after another report on it throughout the next ten years, as has already been pointed out. There

¹ Cobbett, *Rural Rides*, p. 146

² *Committee on the Depressed State of Agriculture*, 1822, *Minutes*, p. 110

³ *Ibid.*, p. 121

⁴ *Ibid.*, p. 63

is further evidence contained in the *Annual Reports* of the Poor Law Commissioners. These authorities entirely justify the impression given by such less responsible witnesses as Cobbett in his *Rural Rides*, already quoted for 1822. In 1827, a Buckinghamshire witness before the Committee on Emigration notes the—

“wonderful number in Aylesbury gaol for sheep-stealing, and robbing hen-roosts, and those petty things, it is distress that drives them to it. I know two or three who bore a very good character, but the distress of the times has driven them to commit those things which they had never done before.” “Do not the poor live very hard? Yes—chiefly (upon) bread, and very little else.”¹

In 1829 Cobbett wrote of the same county—

“The farmers feel all the pinchings of distress, and the still harsher pinchings of anxiety for the future, and the labouring people are suffering in a degree not to be described. The shutting of the male paupers up in pounds is common through Beds and Bucks. Left at large during the day, they roam and maraud. What are the farmers to do with them?”²

In 1830, on his Eastern Tour—

“With regard to the labourers, they are, everywhere, miserable. . . . In walking out yesterday, I saw three poor fellows digging stone for the roads, who told me that they never had anything but bread to eat, and water to wash it down. One of them was a widower with three children; and his pay was 18d a day, that is to say, about 3 lbs of bread a day each, for six days in the week, nothing for Sunday, and nothing for lodging, washing, clothing, candle-light or fuel. . . . With regard to the farmers, it is said here that the far greater part, if sold up, would be found to be insolvent.”³

On his Midland Tour in the same year. “The wages of a good labourer now in Worcestershire is 8s a week, and not found. Accordingly they are miserably poor and degraded.”⁴ 1829–30 was a period of machine-breaking, rick-burning, and hunger-riots generally, put down by the troops, and by a special

¹ *Report of Committee on Emigration, 1827, Minutes*, p 106

² Cobbett, *Rural Rides*, p 554

³ *Ibid.*, p 595

⁴ *Ibid.*, p 616

Commission of Assize which tried over 1000 prisoners In the next year or two the labourers were swept into the enthusiastic Grand National Consolidated Trades Union movement and the famous episode of the Dorchester labourers occurred¹

It was the cue of the Commissioners, of course, to attribute the low wages to the allowance system But here again, as for the earlier period, the evidence which has been cited surely suggests that in the existing state of the labour market there was no possibility of wages rising to an adequate extent. Indeed, there seems to be hardly any limit to the possible depression under such conditions "It is almost a mystery how you live at all," was the rather exasperated remark of one of the members of the recent Committee on Sweating to a witness, and the witness failed to explain the problem² Moreover, after the abolition of the allowance system, wages did not rise

"Whenever the Committee of 1836 put the question whether they had risen, the answer was in the negative," says Dr Hasbach "The generally accepted opinion, for which Tooke is chiefly responsible, is that, owing to the low price of provisions, the labourers were pretty comfortably off between 1832 and 1836 On the other hand, a witness states that as the price of wheat fell, wages were reduced; and . . . it was admitted that the labourers were in a desperate condition" "In fact, things were sufficiently serious at the end of the thirties People were saying that the New Poor Law might do well enough in good times, but could not cope with exceptional difficulties In many districts the workhouses were so crowded that from sheer necessity the Guardians had to revert to out-relief, and charity was strained to its utmost in the endeavour to meet the distress"

The chief result of the reduction of income by the abolition of the allowance system was, he says, to put the labour of the wives and children into the market, and in especial to favour the establishment of the Gang System³

¹ Webb, *History of Trade Unionism*, pp 129 f

² *Report of Home Work Committee*, 1908, p 89 (qu 1949)

³ Hasbach, *History of the Agricultural Labourer*, pp 221-226

The most interesting of all the contemporary statements of existing evils is perhaps Chadwick's own, taken in connection with the extraordinary point of view which it represents. He is perfectly aware of the miserable state to which the labourer is reduced, but he accepts it as normal and necessary, and uses it only as an argument for reducing the standard of comfort assumed by the public assistance authority as necessary. That, at least, is his attitude so far as the Poor Law Commission is concerned. Of course the philosophy of that day believed that thought could satisfactorily be confined in various watertight compartments, and in some other compartment of his mind Chadwick may perhaps have had plans for improving the labourer's standard of life. What he says to the Commission, however, is as follows —

"It has appeared to me that the force of the temptation to pauperism and crime can be duly estimated, or satisfactorily accounted for, only by means of a closer inquiry than has yet been instituted, into the condition and modes of living of the independent and hard-working classes, as compared with the condition and modes of living of those who, without labouring, or with less labour, are supplied with the fruits of labour. . . Mr. Drouet, the resident governor of Lambeth workhouse, who had also been the governor of Gosport workhouse, stated 'I know the condition of the poorer of the independent working men . . . I have seen a very poor ratepayer dining on potatoes, and that for days together. Beer and butter . . . the very poor ratepayers hardly ever think of. . . unless it be on the Sunday. I have known the ratepayer, if he is a poor agricultural man, go out in a morning with a bottle of water and a piece of bread, perhaps a pound, made of flour with the bran in it, and when he returned home he would expect a supper of potatoes, with a little skimmed milk thrown over it. . . This is common in the country about Gosport, and also in Beds and Northants.'"¹

He gives three labourers' budgets from the neighbourhood of Newbury, Berks, which, he says, "approximate very nearly to the ordinary expenditure of families of agricultural labourers." They are as follows² —

¹ *Extracts*, pp 226 f

² *Ibid*, pp 251 f.

I		II		III	
A man, his wife and six children, receive among them 13s 6d, which is thus expended at the grocer's shop, paying one week with another—		A man, his wife and four children under two years of age, receive in wages 9s and a gallon loaf from the parish weekly, and live rent free in a parish cottage—		A man, his wife and three children, without parish relief The man earns 10s a week when in full employment, but occasional want of work reduces the earnings of him self and his wife together to 11s —	
7 gallons of bread	s d 9 11	5 gallon loaves	d 7½	½ bushel flour	d 0
1 lb. of sugar	0 6	¼ lb sugar	2	Butter, tea, sugar	0
2 ozs of tea	0 8	1 oz of tea	4	Clothing society	5
Soap	0 4	Soap and candle	3	½ lb soap	4
Candles	0 4	1 lb of lard	9	Needles, thread, etc	0
Salt, pepper, mustard, vinegar, etc		½ lb of bacon	9	½ lb candles	0
2 lbs of bacon		½ lb of butter	4½		
				<i>Per annum £ s d</i>	
				Firing	3 0 0
				Rent (including	
				½ acre of	
				land	2 0 0
				Purchase	
				of pig	1 7 0
					2 6 0
					8 13 0 = 3 1½
					<hr/> 9 8½
	13 3		8 9		

What is especially noticeable about these extremely ascetic dietaries is that though all the families appear to contain young children, not one penny is stated to be expended on milk. One hopes that they got a little home-grown fruit from the cottage gardens, it seems improbable that the expense of sugar to make jam could be encountered. For the rest, they must have lived mainly on bread and potatoes. One of the families is wise enough to throw in a little lard.

Chadwick next proceeds to show—still merely with a view to emphasizing “the force of the temptation to pauperism and crime”—that the diet of the labouring man was considerably below that allowed, not merely to the soldier and the pauper, but to the inhabitants of the gaols. He gives the following table —

I *The Independent Agricultural Labourer*—

According to the returns of labourers' expenditure, they are unable to get, in the shape of solid food, more than an average allowance of ¹

Bread (daily 17 oz =) per week	oz	Solid food
Bacon	4 oz.	
„ loss in cooking	1 oz	
	—	3
		— 122 oz.

II *The Soldier*—

Bread (daily, 16 oz =) per week	112
Meat („ 12 oz =) „	84 oz
„ loss in cooking	28 oz
	— 56
	— 168 oz

III. *The Able-bodied Pauper*—

Bread	per week	98
Meat	„ 31 oz	
„ loss in cooking	10 oz	
	—	21
Cheese		16
Pudding	.	16
		— 151 oz

In addition to the above, which is an average allowance, the inmates of most workhouses have—

Vegetables	48 oz
Soup	3 qts
Milk porridge	3 qts
Table beer	7 qts

and many other comforts

IV *The Suspected Thief* (See the Gaol Returns for Lancaster)—

Bread	per week	112
Meat	„ 24 oz	
„ loss in cooking	8 oz	
	—	16
Oatmeal		40
Rice		5
Peas		4
Cheese		4
		— 181 oz

V *The Convicted Thief*—

Bread	per week	140
Meat	„ 56 oz	
„ loss in cooking	18 oz	
	—	38
Scotch barley		28
Oatmeal		21
Cheese		12
		— 239 oz.

¹ *Extracts*, p 261 The sources of his figures are not stated, but they are said to be “drawn chiefly from official returns”

It may be noted that even thirty years later, in 1864, the Medical Officer of the Board of Health found the average nutrition of the agricultural labourer below the subsistence minimum in ten counties, of which Berks was worst¹ Further witness to this state of semi-starvation is to be found in Dr Kay's report on the advantages of migration to the cotton districts embodied in the *First Annual Report of the Poor Law Commissioners* Then, when some few labourers have been sent by the Commissioners to the North, and the point is to paint the desirability of their present condition (for, writes one of the employers, unless there is some big immigration, the coming expansion of trade will "still further increase the unions, drunkenness and high wages"), the public is allowed to hear of "starvation" under the old conditions, allowance and all

"He paid 1s. per week for a ruinous cottage, into which the rain poured through the thatch It was a low, dark hut, and had mud floors His clothes when he arrived were very ragged *Having had as much food as he could eat, says he feels 'four times as strong as when he came'*" "When he came here the family were in tatters He was glad to conceal his nakedness beneath the smock frock. . They have as much food as they can eat, and he has improved in strength since he came hither" "Paid 1s per week for a wretched cottage, having one room above stairs and one below with a roof through which the rain entered Could get little firing, and that was very dear Had only two beds, and four of the family slept on straw Were miserably cold in winter . . were half starved Have (now) as much food as they can eat" "He was nearly starved in Beds . . feels much stronger himself, but *does not see so much progress in the rest of the family*"

This last point is significant, remembering that Dr. Kay had already pointed out that it was for the labour of women and children that there was most demand, and remembering what the conditions of women's and children's labour then were These were picked cases of good men for migration Another family "remembers the fear of starving too well."²

Finally, two judgments on the state of the case by two of

¹ Hasbach, *op cit*, pp 401, 402, quoting *Sixth Report of the Medical Officer of the Board of Health*

² *First Annual Report of Poor Law Commissioners*, 1835, pp 192 ff

the Assistant Commissioners of 1832-4 shall close this argument Captain Chapman, in his report on the south-western counties, gave it as his view that

"It will be found in almost every case that any marked increase in expenditure has been occasioned by some general or local cause affecting the demand for labour, and that in proportion as the pressure has been removed, the poor-rate has diminished. Many striking cases came under my notice, of the difficulty of finding employment, and of the readiness of the majority of the working classes to work when they could get it"¹

And John Wilson, Assistant Commissioner for the northern counties, says —

"The known superiority in moral and physical well-being of the north of England peasantry over their brethren in the southern counties, has not hitherto taught those who profess friendship for the poor all the lessons which the fact involves. It has commonly been attributed to some occult aptness in the details of parochial management, some obscure and unexplained superiority of system in the local application of the poor laws"

This is not the explanation. Thinness of population in Northumberland, "attributable in some degree to the hindring system of hiring labour," the collieries in the Tyne and Wear district, and "recent public works" in Durham, "have deferred the evil day of pauper maintenance." The people are "not as yet corrupted by precarious gain or intolerable misery." This judgment he supports by evidence.¹

With all these facts before them, it was surely inexcusable of the Poor Law Commissioners to attribute the "corruption" and degradation of the labourers essentially to the allowance system or to the administration of the Poor Laws in general. They did so, and that so forcefully that the impression has remained on the public mind from that day to this, that the main evil of those days was the administration of the Poor Law, and that "the principles of 1834" applied an effectual remedy. The problem which faced the statesmen of the early nineteenth century was indeed exceedingly difficult, and was

¹ *Report of 1834*, Appendix A, p 423

² *Ibid*, Appendix A, A I p 119

rendered much more difficult by their conviction that they had no business to face any economic problems at all. The right policy, as we see it now, in the mere interest of national efficiency, much more in that of social good, would have been the vigorous enforcement of a Minimum Standard, whether of conditions, hours of labour, age of labourers, or wage to be paid, together with the acceptance of social responsibility for those who, in the revolutionary economic changes of the time, became for one reason or another superfluous in the labour market. For the agricultural labourers in particular a vigorous enforcement of the allotment system would have done much, but the advantages were so obvious that it was impossible for the doctrinaires to believe that they needed to be enforced. "A practice which is beneficial to both parties, and is known to be so, may be left to the care of their own self-interest," says the Report¹. The whole of this policy was urged at the time by one reformer or another. The whole of it was ultimately entered upon more or less tentatively, and more or less energetically pursued. It is the policy which consciously underlies the whole of the present Minority Report, and which more or less sub-consciously underlies parts of the recommendations of the Majority Report. The pity of it is that, while the nation blundered and hesitated, and "trusted to the unfettered operation of general principles," halting (as it still halts) between the view that in the present advanced and complicated state of society the individual unit could and should be capable of self-help in all emergencies, and the view that to meet socially-created evils social organisation is necessary—while all this was going on the deterioration of the people was going on also.

RUTH KENYON

¹ *Report of 1834*, p. 194.

MARGINAL PRODUCTIVITY.

A REPLY TO CRITICISM

IN a review of my book *The Industrial System*, Mr. Heath charges me with having "grossly misrepresented" the "marginal productivity theory," in imputing to some of its exponents the view that some "special causative or determinant importance" attaches to the margin. Since Professor Carver and one or two other economists have brought a similar charge, it is proper for me to attempt some reply.

The acceptance and orthodox application of the Law of Diminishing Returns has naturally led economists to assign a critical importance to the results of the final dose of any factor of production. That final dose must by its presence cause such addition to the product as will make its application just worth while to the *entrepreneur*. It cannot add more than this amount, for in that case it would pay to add another dose. What is added to the product by the presence of the last dose is then regarded as the specific product of the dose.

Now, in the earlier exposition of this law, its operation usually imputed a different productivity to each dose. A given piece of land or capital was taken, and a series of "doses" of labour, one after another, was applied to it, in such fashion as to show that each dose increased the total productivity to a different extent. During the application of the earlier doses the business was said to conform to a Law of Increasing Returns, each fresh dose appearing to add a larger amount to the product than the preceding one, subsequent doses, however, added a diminishing sum, until the last, which was only just worth while employing.

Now, if the last dose took a payment equivalent, or nearly equivalent, to its product, as measured by the addition to the total product its presence caused, the earlier doses appearing to

produce more should take a correspondingly higher payment. For what is bought by wages is quantity of productive labour-power, and, if some doses give out a larger quantity than others, they will of course get a higher price

But this deduction led to an obvious absurdity, for how could "doses" of labour-power described as of equal size be endowed with a different productivity, and obtain a different rate of pay? The fallacy evidently lay in regarding "dosing" as a process in time. For, thus regarded, the earlier doses got a fuller use of the co-operative activity of the land, or capital, which was taken as a fixed quantity.

The "marginal productivity" theorists do not fall into this fallacy. They clearly recognize that the notion of adding doses, one after another in time, can shed no light upon the problem of distribution. They agree that any dose can be taken as marginal, and that consequently all doses must be regarded as equally productive and as equally remunerated. And yet they seem to hold that some special knowledge of the rate of payment is obtained by studying the marginal factor, and that what happens "at the margin" exercises some determinant power over the rate of payment for the factor

Professor J. B. Clark and Professor Carver are exponents of this doctrine in America; but the most emphatic endorsement of this doctrine among English economists is given by Professor Chapman, in the second volume of his *Work and Wages*

"In a complicated community in which there is group production, it is impossible to assign to each factor the commodities that it produces, since it always produces in collaboration with other factors. But it is possible to impute to each factor the product contributed at the margin to the total quantity produced—that is, to discover what would be lost if the factor in question were withdrawn and all things else remained the same. The theory, then, merely declares that each person will tend to receive as a wage his value—that is, the value of this marginal product—no more and no less. In order to get more than he actually does get, he must become more valuable—work harder, for instance—that is, he must add more to the product in which he participated" (p. 14)

Here we have a succinct statement, not merely of the theory, but of its application to the practical problem of distribution

The productivity of the marginal labourer, or labour at the margin, determines the payment for the whole supply of labour, each labourer receiving the value of the product of the marginal labourer. Since the marginal labourer—and every other labourer—tends to receive as wages the whole of his product, trade unionism or other pressure for higher wages can only be efficacious if and in so far as it is accompanied by increased efficiency and productivity of labour.

This appears to be the doctrine, only qualified by consideration of such minor friction as prevents the normal tendency from being completely operative. It seems to me to rest upon three assumptions, which I propose to examine 1 That, though a separate productivity cannot legitimately be assigned to a factor, because it co-operates with other factors, a separate productivity can be assigned to the portion of a factor "at the margin" 2 That the productivity of the marginal portion of a factor can be measured by comparing the size of the total product when it is present with the size when it is absent, *i.e.* that the portion of the total product which disappears with its removal rightly ranks as its product. 3 That this doctrine of marginal productivity involves the conclusion that every labourer gets the full value of his contribution to the product.

My comment upon the first assumption need only be brief. Professor Chapman recognizes that where several factors, *e.g.* land, labour, capital, co-operate in production, each being essential to the process, it is illicit to attempt to measure the quantity of productivity or the product due to the activity of each factor. If a 100 acre farm, worked by four labourers, with £400 of stock, machines, fencing, etc., yields an annual product of £250, it is not legitimate to conclude that the proportion in which the product is divided as rent, wages, and interest, is a measure of the relative productivity of the three factors. If the labourers get £40 each, this need not imply that labour produces $\frac{1}{5}$ of the total product. But though the fact of the organic co-operation of the factors thus precludes the attribution of a particular quantity of product to each, Professor Chapman holds that it is possible to measure and to earmark a special product as attributable to the marginal portion of a factor Though his language here is rather obscure;

the words "it is possible to impute to each factor the product contributed at the margin to the total quantity produced," when taken in conjunction with the preceding sentence, can only mean that though the whole of the labour-power, the four workers, cannot have a separate product assigned them, the "marginal labourer" can. That this is the doctrine is made evident by reference to an earlier note, in which Professor Chapman explains the use of "marginal."

"Thus, if I employ 100 men for a particular purpose, the difference between the value to me of 99 men and 100 men is the marginal worth to me of labour of the kind in question, or the worth to me of labour at the margin"

It is quite true that he proceeds to confuse the meaning by adding, "Now the 'marginal man' in the case is the man who is *only just efficient enough* to be employed for the purpose in question when 100 are going to be employed." The question of degree of efficiency is, of course, quite irrelevant to the doctrine; if all the hundred men are equally efficient, the hundredth man will still remain a "marginal man."

It is on the legitimacy of attributing a separate and measurable product (or value of a product) to the hundredth man that the discussion turns. If the complexity of an organic co-operation of the factors renders it impossible to assign to each factor its special share of the product, it should be equally impossible, and for the same reason, to assign a special product to one portion of a factor, viz. the marginal labourer. If it cannot be concluded that, of the £250 produced on one farm, £160 is attributable as its product to the four labourers, how is it right to attribute a product of £40 value to the fourth or marginal labourer? Yet it seems impossible to find any intelligible meaning for the doctrine except one which insists that the last man just worth employing for the matter in hand, must be deemed to add a product just measured by the payment he receives. On our farm the fourth labourer is marginal, *i.e.* it is better to work the farm with four than with either three or five, so the product of this fourth labourer is a marginal product. But as the fourth labourer is just as productive as any of the other three (it being a matter of indifference which we call the fourth) it appears that, after all, we

can, by multiplying the marginal product, or its value, by the number of labourers, get the product of labour as a whole, though we said this was impossible

If it be true that "each person will tend to receive as a wage his value—that is, the value of this marginal product," and if any person in a labour group may be taken as marginal labourer, it is pretty clear that Professor Chapman was wrong in conceding that "it is impossible to assign to each factor the commodities it produces" If the "marginal productivity" reasoning works at all, it must justify attributing a special product, not only to the separate labourers in the labour-factor, but to the labour-factor as a whole.

But it is on the second assumption that the argument really hinges, for that indicates the mode of ascertaining the productivity of the marginal factor Whatever "would be lost if the factor in question were withdrawn, and all things else remained the same" is taken as the measure of the productivity of the marginal factor Professor Clark quite definitely adopts this measure of productivity.

"How, then, do we measure the true product of a single unit of labour? By withdrawing that unit, letting the industry go by the aid of all the capital and one unit of labour the less Whatever one of the ten units of labour we take away, we leave only nine working. If the forms of the capital change so as to allow the nine units to use it advantageously, the product will not be reduced to nine-tenths of its former size, but it will still be reduced, and the amount of the diminution measures the amount of product that can be attributed to one unit of bare labour Or we may add a certain number of workmen to a social force already at work, making no change in the amount of the capital—though changing its forms—and see how much additional product we get That also is a test of final productivity"¹

Finally, I will add the equally explicit statement of Professor Carver².—

"All this is equivalent to saying that each individual gets as wages approximately the equivalent of the amount which he individually can add to the product of the group to which he belongs, or of the amount which he can subtract from the product of the group by withdrawing himself from it"

¹ *Essentials of Economic Theory*, p 140

² *The Distribution of Wealth*, p 157

Elsewhere ¹ Professor Carver adds, "In other words, the wages of any particular kind of labour are determined by its marginal product."

Now, my contention is that this attribution to the last unit of labour of a product measured by the reduction in the total product that follows its withdrawal, is absolutely invalid. As a test, let us again take our 100 acre farm with four labourers and £400 capital. But, for convenience, we will take the 100 acres as = 4 units of land. If a labourer be taken as = 1 unit of labour, and £100 of capital as = 1 unit of capital, we have 4 units of each factor. The value of the product on this working is £250. But if a fourth labourer be withdrawn, leaving the farm to be worked by three men, the value of the product may fall to £200. Are we entitled to assume that £50 measures the productivity of the fourth labourer, and that this is what he gets, or tends to get as wages? £50 certainly constitutes "the amount which he can subtract from the productivity of the group by withdrawing himself from it." But does the fact assist in any way to furnish a theory of wages or of distribution? If £50 is to be attributed to the fourth labourer as his product and his wages, it must be attributed equally to each of the other labourers. In that case, out of the £250 total product of the farm, £200 constitutes the product of labour, and is paid in wages, and only £50 remains as the product and the payment of the four units of land and of capital. But since the reduction in the total product from £250 to £200, following the withdrawal of the fourth labourer, is due to the fact that the energies of nature in the land, and the productive uses of the machines and other forms of capital are less effectively utilised, while the division of labour in working the farm has been impaired, it is quite evident that in the so-called marginal product of labour, the product of the fourth labourer, there is included something that cannot be regarded as peculiarly "his."

For, suppose that, instead of withdrawing the fourth labourer, we withdraw the fourth unit of capital, reducing the total value of the capital from £400 to £300, it is quite possible that the total product in this case also might shrink from £250 to £200, the sum of £50 measuring the damage done to the functioning of the

¹ Page 165.

complex of productive units by an insufficiency of capital. Were this the case, however, we must assign £50 as the product and the payment of each £100 worth of capital, although the product and payment of labour as indicated by this method only left £50 in all for the payment of capital and land. Similarly, by withdrawing the fourth unit of land, and applying the same capital and labour as before to 75 instead of 100 acres, we might find the same shrinking of the total product by £50. Land, by this strange mode of reckoning, is responsible for £200 out of the £250, and, taking this for rent, leaves only £50 for capital and labour. By applying the method in turn to the three factors, we account for the distribution of a product of £600, whereas the actual product is seen to be £250.

Finally, if, instead of taking separately the units of the several factors, recognizing their co-operative character, we take the farm as consisting of four units of land-labour-capital, we do not find the method proposed by the marginalists more satisfactory. Though the result of withdrawing a unit of labour, or land, or capital, is to reduce the product by £50, the result of withdrawing a unit of land-labour-capital will certainly not be a reduction of £150. It might very well be a reduction of £60, *i.e.* the farm worked on a three unit basis yielding £190. But, in that case, as the productivity and the payment of the fourth unit is the same as that of the other three (for any of the four may be the fourth), the total product must be £240, whereas, in fact, it is £250. It is not true that the wage of the marginal or fourth labourer must be £50 because the total product loses £50 by withdrawing him, for his withdrawal injures the functioning of all parts of the several factors which constitute the business. And the same holds of the marginal part of any other factor.

With the exposure of the fallaciousness of the method of estimating the separate productivity of a marginal portion of supply, disappears the basis of the third assumption which we saw involved in this theory of distribution, *viz.* that every labourer gets, or tends to get, the full value of his contribution to the product. Neither by the "marginal" argument nor by any other, is it possible to impart a meaning to this proposition that is not mere tautology.

It is, no doubt, possible to show, as Mr. Wicksteed does, that the

marginal bit of a factor, or any other bit, gets, or tends to get, in payment "what it is worth" But what does the phrase "what it is worth" imply? Simply what, under the existing conditions of scarcity and utility (operating by supply and demand) *it can get*. If, by nature or by art, any factor of production in an employment can make itself scarce relatively to the other factors that require its co-operation, it can raise its "worth" correspondingly To say that every labourer tends to get what he is worth, thus only means that he tends to get what he can—a not particularly illuminating statement, and certainly not one that furnishes a basis for a theory of distribution.

In point of fact, the marginal reasoning is simply a belated application of the "dosing" hypothesis which led to the adoption of a preposterous law of Diminishing Returns. This so-called law resolves itself into the statement that if you start by assuming an erroneous way of conducting business, and then proceed by a series of steps to correct that error, you will find your business growing more profitable! Take a big piece of land, and begin by trying to work it with one man's labour (which no sane man would do), it yields very little, put on another man, you more than double the product, a third man, you reap a still further gain; but after the fourth man, the advantage ceases.

Is there any other "science," which for the best part of a century has sought to rear an intellectual edifice on such silliness? There is no "law" of Diminishing Returns; there is nothing but the obvious fact that in every industry there is a type of business which, in size and composition, is more effective than any other. In a particular country wheat-farming is best conducted (say) in farms of two hundred acres, with so many men and so much capital in machines, etc. A fully equipped weaving-mill in Lancashire is represented by so many units of capital and labour, a Yorkshire woollen factory, a flour mill, a retail store, or any other business, has a certain size and shape which, for the particular purpose in hand, is more profitable than a larger or a smaller one, or one with a different proportion of the several factors, would be To suppose that anything can be learnt by assuming that an employer in a farming or a manufacturing business did not understand his business, and so made mistakes, which he gradually corrected until

he had hit upon the most profitable size of business, is foolish enough. But to erect this folly into a corner-stone of a theory of distribution is a piece of extravagance which can only be explained by the desire to find emollient doctrines to allay the passions of the economic struggle. This explanation, however, belongs to the larger task of the economic interpretation of economic theory which, when it is properly essayed, will be found rich not merely in intellectual interest, but in humour. I must leave it here as a subject for reflection.

With the Law of Diminishing Returns and of Separate Productivity disappears whatever speciousness attached to marginal significance regarded as a theory of distribution. The factors of production tend to group themselves in the most economically advantageous sorts and sizes for co-operation in the various productive processes. Nothing can be learnt of the theory or the art of distribution either by falsely attributing a separate productivity to a single factor or to a single unit of a factor, or by supposing that a slightly smaller or a slightly larger size of factor were adopted in a process than that which tends actually to be adopted. So far as full knowledge and free fluidity can be assigned to the factors of production and their owners, all the units of capital and of labour in a trade dispose themselves so as to be equally serviceable for production. So the units of capital and labour in the several trades similarly tend towards equal productivity. Where changes in the arts of industry or in the conduct of business upset this equilibrium, a readjustment of the factors makes for a re-establishment of the equilibrium.

Such readjustments can best be observed taking place by observing the changes in the rate of flow of new units of each factor towards the several employments.

All this belongs to the mechanics of the organic life of industry. But it yields no theory of distribution. In the first place, no such fluidity as is here supposed, exists; the obstructive and combinatory forces which prevent such flow are tendencies as real and as important as the competitive ones, and to ignore them, or account for them as mere friction, is an unscientific procedure.

Secondly, if no such contrary forces of natural or artificial scarcity were operating, and all portions of all the factors of

production freely disposed themselves in the most economical ways; no light would be thrown upon the rate of remuneration, or the distribution of the product, by any special or separate attention to the portions of each factor called by the title "marginal." For the only legitimate or, indeed, truly intelligible application of the term "marginal," is to describe the worst pieces of a factor of production in actual use. But these prices are paid at the same rate *per unit of productive power* as the better pieces said to be above the margin, and their marginal condition does not assist to determine what that rate of pay shall be. The problem of distribution is the problem of the price of the several sorts of units of productive power. As Mr Wicksteed has so ably shown, it differs in no respect from other problems of price. But in the determination of prices of units of productive power, as in other prices, scarcity plays an equal part with utility or productivity, and nothing is learnt by watching or trying to measure separately the utility or the scarcity of the worst or "marginal" portions of supply. As for the marginal portions that are not worse than any other portions there is nothing gained by falsely isolating them from the other portions of a business with which they are in organic co-operation,¹ and hoping to discover by watching the effect of adding or withdrawing them, any light upon the theory or the practice of distribution of wealth.

J. A. HOBSON.

¹ In his account of the procedure of the undertaker Mr. Wicksteed says "To succeed, then, he must be able so to arrange the proportions of his factors, and so to combine them, as to make them all worth as much at the margin in his own concern as other people expect them to be in theirs" (p 371). If the words "at the margin" be omitted, the statement is at least as true and more informing. For what the undertaker aims at is the total, not the marginal worth.

NOTES AND MEMORANDA.

THE PREVENTION OF BRIBERY AND CORRUPTION—Referring to the Prevention of Corruption Act, which has been in force since the beginning of 1907, the *Westminster Gazette* remarked recently that, “apart from the effect of actual convictions, the mere branding by statute of an act as illegal tends to strengthen the idea of its immorality, the effect of such an indirect check is often far greater than is supposed.” No one with any practical knowledge of the working of the Act will dispute this statement, but there is no denying the fact that bribery is still rampant, and that in some directions the Act has not only failed to cure what Lord Russell of Killowen described as a malignant canker, but has even driven the disease in deeper.

In the best of all possible worlds, it should suffice for an Act to gain the Royal or other supreme assent for its provisions to be observed in the world as we know it, however, an Act which is in advance of public opinion invariably runs a danger of becoming a dead letter. Bribery and corruption have long been illegal, and remediable in the civil courts. It was the branding of them as criminal that was novel. With commendable foresight, a number of public men met before the Prevention of Corruption Act came into force, and resolved to form an association, the object of which should be the education of the public, and the taking of all other steps, including prosecutions, which would ensure the Act's observance. Even in the case of cruelty to children and animals, such bodies had been found necessary. Cruelty is apparent, and comparatively easy to prove. Bribery and corruption are secret, and not easily definable. Every one can recognize physical cruelty when it is met with, but the line between honesty and dishonesty is not always obvious, and it requires careful definition, based upon experience and legal knowledge. Cruelty does not call for any great legal acumen, but what is corrupt is a question of the greatest nicety. Writing about secret commissions in the *Spectator* (May 7), Sir Edward Fry pointed out “There is a considerable number of persons who speak leniently, almost kindly, of the evil in question for various reasons, some due to personal interest, and some to a kind of stupid good nature which thinks more of the gratification of the recipient than of all the evils resulting from the practice.”

Among such persons, in one category or the other, must be classed a Lancashire jury who after being directed by the judge that the offence which they were trying was the kind of thing against which the Act was aimed (his lordship adding that he could not see how they could describe the gift as not corrupt), promptly returned a verdict of "not guilty" To educate not only those who in this connexion I may call the classes, but also the masses, in the general principle that gifts given or received in secret are *prima facie* corrupt, was the task which the Secret Commissions and Bribery Prevention League set before itself

It is improbable that either the Act or the League would have been in existence had it not been for the London Chamber of Commerce A special committee of this body, presided over by Mr David Howard, a vice-president of the Chamber, in 1898, heard an immense amount of evidence, and published in the following year a report, which was of a most sensational character, though not at all exaggerated Legislation was demanded, and the suggestions of this committee were embodied in the Act, which, after several ineffectual attempts, secured the sanction of the Legislature From the very first the League found itself busy, and some time elapsed before it obtained a charter of incorporation—this was not until March 17, 1908 Incorporation was necessary as a safeguard for those who gave so much time and attention to enforcing the Act, which, among other things, provides that the Vexatious Indictments Act shall apply to offences under it. A largely attended public meeting in the City of London followed, and the League became fairly launched The *Times*, having inquired into the working of the League, published a leading article on the subject, from which I may quote with advantage —

"The League is an important and influential body, having many well-known names on its executive, and many large limited liability companies and trade associations amongst its members It represents, and will increasingly represent, the moral sense of the commercial community and the attitude of all that is best in the business world towards a canker that has eaten deeply into the commercial integrity of which this country is justly proud Much of its work, like much of all work that is really sound and good, does not catch the public eye It is spade work, performed silently and unobtrusively. It consists largely in spreading knowledge of the Act, and therewith a wholesome awe of the League's own activities, in advising persons who believe themselves to have grounds of complaint; in investigating doubtful cases, and in initiating proceedings with an authority which a private person cannot wield The mere spread of knowledge that an organization of this kind is at work, and is administering an Act already proved

wide enough to cover all forms of corrupt giving and taking, must exercise a powerfully deterrent effect throughout the commercial world "

This paragraph fairly describes the League. It remains disappointingly small as regards the number of members, who barely even now exceed 300, though it would be almost impossible to find a more influential body. Readers of the *Economic Review* will not need to be told that the League has a tower of strength in its president, Sir Edward Fry, who for many years has been in the forefront of preachers of commercial morality. The vice-presidents are Lord Salisbury, Lord Fortescue, Lord Avebury, Sir W. H. Holland, Sir Albert Spicer, Sir William Mather, and Mr. David Howard. The Archbishop of Canterbury was a vice-president for a time, and he has, with others in official positions, such as some of his Majesty's judges and those in authority in the Services, throughout shown an active, though inconspicuous, interest in the work of the League. The private members include Lord Crewe and not a few other leaders in public affairs. The Council, nearly fifty strong, is really remarkable in character, and the executive, elected from members of the Council, is as capable and industrious a body of workers as any society could desire or deserve. By the League's Articles of Association, affiliated bodies are entitled, on payment of five guineas annually, to nominate a member of the Council who does not require to submit himself for re-election, and those affiliated to the League are the Brewers' Society, the Co-operative Union, the Horticultural Trades' Association, the Incorporated National Association of British and Irish Millers, the Incorporated Society of London Meat Trades, the Launderers' Association, the Manchester Stock Exchange, the Motor Union, the Publishers' Association of Great Britain and Ireland, and the Society of Motor Manufacturers and Traders. Other important trade organizations, though not affiliated, are members of the League.

As an educational influence, considering that its membership is so limited in numbers, the League has proved successful, though much remains to be done. It has not yet found, for instance, many allies in the pulpit or in the school. To quote Sir Edward Fry again: "Much might be done by the pulpit, if only it were the source of sufficiently definite utterances, much too might be done by moral teaching of the young, especially of those about to encounter the temptations of life." I should be sorry to think there was any apathy on the part of public teachers, and I attribute their silence rather to a consciousness that the subject is one that requires a greater knowledge of economics, of commercial life, and of the world generally than they possess. Obviously the League could help them, as they, too, could help the League. As

a prosecuting society the League has been handicapped by the unwillingness of people to substantiate their complaints with evidence that would tell in a court of law. The League has also had to go slowly, as behoves a body with a deep sense of responsibility. No prosecution can be undertaken without the fiat of a law officer of the Crown. This may prevent the use of the Act by private persons as an instrument of blackmail, but it also causes vexatious delays, which are the more serious as offences more than six months old (the majority of those reported to, and investigated by, the executive of the League) cannot be dealt with summarily. When a person is indicted, great expense is involved, and the prosecution has to run the risk, which is appreciable, that some members of the jury may be given to the very practices on which their judgement is asked. The Act will have to be amended in respect of this six months' limit, and it would be more useful if it embraced certain kinds of coupons. Unaltered, however, the measure can do immeasurable good, and, as it acquires more experience and attains greater numerical strength, there is no doubt that the League must prove for many years to come an important factor in commercial morality.

R. M. LEONARD.

THE LABOUR CO-PARTNERSHIP ASSOCIATION—The annual meeting of the Labour Co-partnership Association was this year held at the Mansion House, and both the audience and the platform again testified to the varied sources from which it derives support. To call it a non-party organization by no means expresses the relation it holds to different schools of thought and action. All but the most extreme of extremists find something in co-partnership to favour.

Though the retiring president, Mr. D. J. Shackleton, M.P., was unable to be present, his letter shared premier honours with the speech of his successor in office, Mr. Corbett Woodall. These two men aptly illustrate the strength of this movement. The one holds first place in the ranks of Trade Unionism, and the other presides over the largest gas company in the world, which has a capital of no less than £27,000,000. Both of them were equally emphatic in their commendation of the principle of participation. If this new motive power is to affect British industry to any appreciable extent it must attract the great captains of industry of both wings. This it is now doing.

In his plain practical way, Mr. Shackleton gave his adhesion to co-partnership on three solid grounds. He thinks that it will (1) promote a better understanding between employers and employed, (2) offer an educational opportunity to get a clearer view of the relations of capital and labour, and (3) provide a personal interest for the employee, so

mitigating the monotony of the machine worker. This means industrial peace instead of war, and a larger recognition of the human factor in production than is possible under the mere wage system. Mr. Shackleton, unlike the demagogue, admits the weakness of his own class as well as the limitations of the employers. He wants more knowledge, and then, to use his own words, there would be less chance of success of "the glib-tongued but one-sided advocate" of labour on the one hand, and on the other of "the employer who grows rich on his losses." Co-partnership compels a study of all sides of the industrial question, hence its value in the estimation of Mr. Shackleton.

From quite the opposite point of view, Mr. Woodall reached the same conclusion. He realizes the aimless lives of so many of the workers, without any inspiring hope or stimulating ambition, and he finds an excuse, if not a justification, for it in the limited horizon and restricted opportunities associated with modern industry. Co-partnership endows men with property, the outward sign of citizenship, and flowing from it Mr. Woodall sees neighbourliness and fellowship. A co-partner must stand for more than a mere piece of mechanism of production. Without it there may be philanthropy in some form or other, but there is more likely to be simply the cash nexus. Thus we have a great capitalist finding in co-partnership the same qualities as a powerful trade union official, and this stamps the system with the hall mark of utility of the highest kind, one which unites enlightened self-interest with the noblest sentiments. Experience shows that there has not been much progress in industrial reform when these two have been separated.

Whilst the major notes were struck by these two representative men, the minor ones were of great value. Mr. Aneurin Williams, M.P., spoke as an expert and a social enthusiast, Mr. T. C. Taylor, M.P., gave of his rich experience as a profit-sharing employer of some 18 years' standing, who has a high sense of the responsibilities attaching to wealth, Professor A. W. Kirkaldy put the academic point of view in a refreshingly human way, and Mr. H. Daniels told, in a few plain words, what co-partnership was in actual practice in a workman's society.

The annual report furnished statistical and other evidence that Mr. Henry Vivian, M.P., and his colleagues have not laboured for nothing. There are three distinct branches of their activities—workmen's societies, the introduction of the system into private concerns, and co-partnership housing. The first of these was the initial task of the Association, and for some years almost its sole work. Of late there has been little extension in this direction but the existing societies have consolidated and strengthened their position. It is comparatively easy to start a

co-partnership undertaking, but still easier to lose the capital subscribed and make shipwreck of the venture. Greater caution is now shown in launching new societies, so far, that is, as the Association is able to influence promoters. The comparative growth is shown by this table —

	1883	1893	1907	1908
	£	£	£	£
Societies	15	77	112	112
Capital ¹	103,436	619,153	1,865,610	1,941,112
Trade	160,751	1,115,842	4,108,807	4,214,542
Profit ²	9,031	55,387	203,445	182,663
Loss	114	2,112	4,321	7,607
Dividend to labour	Not known	8,225	25,017	24,262

These figures are mainly valuable as proving the ability of co-partnership businesses owned and conducted by workmen to hold their own in times of depression, so proving that they have passed out of the experimental stage. They, however, are by no means large enough, and cover the field of industry to a disappointingly limited extent. So much is this the fact that it looks as though the victories of co-partnership will have to be won largely in the wider domain of private enterprise.

In this branch of the Association's efforts something has already been done. No exhaustive record exists, but the example set by such firms as Messrs W Thomson and Sons (who have a co-partnership system in its entirety), Messrs J, T, & J Taylor, Messrs Clarke, Nicholls & Coombs, and others has been followed, in varying degrees, by a larger number of employers than have as yet been included in any published list. But it is amongst gas companies that co-partnership has got its firmest hold—indeed, it may be fairly said that the whole industry will soon be within the sphere of its influence. Less than three years ago there were only five gas companies, with a total capital of £12,184,777 and employing 7,138 workpeople, which had adopted any form of profit-sharing, now there are 20 companies, with a capital of £43,675,811 and 18,535 employees. During the last twelve months a sum of £93,516 was credited to the workers, making a total since all the schemes were started of £596,449. What is more, the market value of shares and deposits held by these employees amount to over half a million of money. This sum has not been obtained at the expense of the wage rate, which, of course, would be no gain at all. In a few years the

¹ Shares, loans, and reserves

² Including interest on shares but not on loans

accumulated capital of these gas-workers will be very large, and their number is sure to increase

Housing is the third branch of work, and this is a remarkable success. In many respects it is off the main line of the Association's operations, and Mr Vivian has created this new sphere of activity himself. It is quite evident that it has met a public want, and it is a testimony to the vitality of the co-partnership principle that it should be so readily adaptable to the new demands made upon it. Before 1903, there was only one co-partnership housing society, which did not attempt to plan out an estate on the lines which are now adopted. Still, it contained the co-operative idea in tenancy, and in that sense was a pioneer of the later developments. What these have become may be gathered from this table of the amount of property now held under this system —

Name of Society	1903	1905	1907	1908	1909
	£	£	£	£	£
Tenant Co-operators, Ltd	28,680	28,680	28,680	28,680	28,680
Ealing Tenants, Ltd	10,237	26,840	71,197	96,043	132,895
Garden City Tenants, Ltd	—	5,000	72,357	79,415	79,446
Sevenoaks Tenants, Ltd	—	4,550	16,550	16,790	17,045
Leicester Anchor Tenants Society	—	—	1,500	4,420	10,593
Bournville Tenants, Ltd	—	—	10,801	22,000	35,093
Manchester Tenants, Ltd	—	—	8,660	25,608	45,594
Hampstead Tenants, Ltd	—	—	16,674	67,881	128,074
Harborne Tenants, Ltd	—	—	16,501	47,725	83,714
Oldham Garden Suburb Tenants, Ltd	—	—	9,000	20,500	20,500
Fallings Park Garden Suburb Tenants, Ltd	—	—	1,200	8,550	16,719
Derwentwater Tenants, Ltd	—	—	—	—	7,350
Stoke on-Trent Tenants, Ltd	—	—	—	—	7,500
Second Hampstead Tenants, Ltd	—	—	—	—	1,730
Rubery Tenants, Ltd	—	—	—	—	3,100
	38,917	65,070	253,120	303,360	617,933

The figures of 1909 will be largely exceeded this year, and there seems every sign of an expanding field of operations for the housing work of Mr Vivian and his colleagues.

Altogether, the annual meeting of the Association successfully vindicated the great principle it has existed for a quarter of a century to promote, and it has created for itself a place amongst the forces which are making for social betterment.

F MADDISON.

HAND LABOUR IN JAPAN —The prevalence of hand-labour in Japan may be assigned to its cheapness, to the contempt of the upper for the lower classes down to 1868, to the mountainous country and poor supply

of draught animals—in other words, we may explain it economically. On the other hand, there are flaws in the argument. Take the remarkable extent of human haulage referred to in my last note. Here is a city of 150,000 inhabitants, built on a dead level, over an area four miles broad at its broadest and four miles long at its longest, including a small seaport, and boasting three railway stations. Cattle are cheap, horses numerous if poor, and there are some mules. There is a primitive system of horse omnibuses and a fair supply of carts drawn by horses, especially liquor carts, but haulage is practically entirely by hand. The rickshaw fare varies between 3*d* and 6*d* for one trip. is 5*d* for an hour and 1*s* 9½*d* for a day. a man with a hand-cart works for 6*d* an hour or 2*s* 6*d* a day. The economic argument would be that if the man could afford to make a horse pull him and the passenger for these fares he would do so, but he cannot, and until he can secure a fare which admits of a horse, he will pull the carriage himself. In Bombay I paid 4*d* for one trip within the limits of the Fort in 1896, in a one horse "victoria," and obviously it would be more difficult to maintain a horse in Bombay than in a small town in Japan. Further, Bombay is far from flat, and the neighbouring country quite as unsuitable for horses as the western portion of Japan. The argument applies quite as strongly to donkeys and oxen. In a town where beef is cheap, the water-wheel worked by oxen could hardly be more expensive than the treadmill water-wheel. It is not possible to state this argument arithmetically, because neither "victorias," donkey carts, nor ox draught water-wheels have been tried, but on the face of it the phenomenon of hand draught fails to be adequately explained by economics.

It does not seem too farfetched to suggest that the physical vitality of the people makes muscular activity, at least to a proportion of them, sufficiently enjoyable to prevent their taking steps to find substitutes for their own muscles. The same applies to water traction. Very large barges are poled, propelled by sweeps at the stern, or towed, over the waterways which play so big a part in these towns, but it is all done by men and women. The large share of all this work done by women and the readiness of little women to move heavy and bulky articles, bears out the theory of muscular energy in the race. My house was completely burned down the other day, and the two Japanese girl servants worked like firemen. Where beasts for draught have been known from time immemorial, and where caste and all sorts of etiquette and organized vanity have so freely prevailed, the willingness of men to play the part of draught animals and the absence of any sense of impaired dignity in doing so can most readily be explained by the physical satisfaction afforded. We cannot imagine the *petite noblesse* in France taking up junrickshaw pulling for a livelihood in 1790. It

was done in Tokyo in 1868 What I have seen of the students and their outings by land and sea confirms this view so does the construction of shrines far up steep hills and the estimate formed by German officers attached to divisional military staffs of the capacity of the troops for marching, more especially at the double What must be the advantage to an army of being composed of men whose lives are spent in moving by hand every conceivable load under every conceivable circumstance ? So, too, in regard to the hand labour lavished upon agriculture, there are evidences of much of it being done from the sheer joy of it The Japanese grows barley as the Western gardener grows flowers, in rows and beds He protects the rows of standing barley with canes and cords to obviate any chance of its being beaten down by rain and wind He runs Who ever saw the British agriculturist run—at work ? Here, then, are indications of another element which will play a part in the industrial revolution in Japan

Secondly, there is evidence of a strongly logical turn in the Japanese industrial mind One example in particular has impressed me A heavy rainfall, unredeemed by the presence of any one mulctable in high local rates, means streets tending to be sloughs, and often succeeding Again, the raised mat-covered floors of even the poorest houses do not admit of dirty footgear being worn indoors Indoors, therefore, a divided sock is worn The outdoor gear must be something which can be put on in a moment (every time the servant goes into the yard she must put it on), and it must keep the socked foot out of the mud The article used is the outcome of the application of rigid logic to the requirements of the situation It consists of a flat board, the size of the sole of the foot, with a thong fastened into it just where the big toe and its neighbour part company this thong immediately divides, and, passing over the foot slantwise towards the heel, its branches are fastened into the board below the ankle This is a footgear which can be slipped on in a moment For running, mountain climbing, and the like, it is made of straw and is bound on from the heel as well For all other purposes the divided thong referred to is sufficient to keep it on, and children habitually run with them on, and I have seen a big boy jump The sole may be simply flat on the ground as in the straw sandal when it is desired to raise the foot out of the mud, two bars of wood are fixed transversely to the direction of the foot The height of these is varied to meet the depth of the mud People wear a pair with bars an inch deep in ordinary weather, but bring out ones with bars four inches deep after a heavy shower The board can be lined with soft straw A cap to keep the rain off the toes can be added, or the thong can be of elegant material, the board lacquered and ornamented with designs or pictures

I have given these apparently unnecessary details to show how Japanese footwear is logical almost to the point of abstraction. The leather sock and outside sandal of Kashmir, the open shoes of India, the felt top boots of Russia, have their appropriateness, but the Japanese footgear in combination with their interior flooring arrangements has no equal, to my knowledge, for rigid logic. We hear much of the flimsiness of Japanese products, and examples are to be seen on every side. Clothing, furniture, umbrellas, crockery, house-joinery, hardware of all sorts, are of an amazing flimsiness, but what is that but the application of the logical principle of modern manufacture for sale, and only indirectly for use? An old time Japanese helmet, picked up as a curno, survived intact the burning of my house, although made of a number of plates fastened together. There is Cyclopean masonry in the country (*e.g.* the Osaka castle), and numberless shrines which have stood centuries of earthquakes. They are not ignorant of durable work—witness the old Japanning and lacquering—but they cannot resist the logic of making for sale after the method of modern manufacture.

It is a commonplace to say the Japanese like everything “just so.” A good housewife in Europe keeps a supply of brown paper and string so that she may be able to send a parcel in a presentable condition when necessary. The Japanese housewife keeps a supply of folded sheets of the right paper, with the (only) correct gold papered twine loosely tied round them, and with the emblem of a gift thrust ready through the knot. Every traveller in Japan knows the neat way in which the luncheon boxes at the railway stations are got up, likewise the little baskets of oranges, biscuits, cakes, dried fruit, and confectionery are more “got up” in ornamental boxes in little shops in alleys here than in first-class shops in Europe. Even when there is no box or basket there is a wrapping of wood, or bamboo leaf. This is no result of competition but Japanese tradition, and represents habits which at one time controlled every detail of social intercourse, dress and the like. It is therefore an asset equipped with which these people enter the struggle for markets, and has to be added to the two assets suggested above—a national disposition (1) to labour gladly and lavishly, and (2) to adapt means to ends in a remarkably logical manner.

J. C. PRINGLE.

SOCIALISM AND THE FRENCH ELECTIONS OF 1910—The recent elections have resulted in the return to the Chamber of Deputies of seventy-five “Unified Socialists,” implying a gain to that party of twenty-three seats. In view of the comparative failure of English and Belgian Socialists to increase their parliamentary representation during the

present year, it may be interesting to examine the causes and the nature of the Socialist triumph in France

First, then, as to the nature of this party—the Unified Socialists—and its position in the last Chamber of Deputies. Practically speaking the Unified Socialist party is *the* Socialist party. There are, no doubt, “Independent Socialists,” and “Radical Socialists,” but the former are few in number, and the latter are, for practical purposes, rather advanced Radicals than Socialists, and were often included in the “Radical and Radical-Socialist” party. This latter party has long been the predominant element in the Chamber of Deputies, and, united with the Socialists into a body technically known as the “*bloc*,” has pursued an anti-religious policy with such vigour as almost to amount to a persecution. Not content with the separation of Church and State and the sequestration of Church property, the “*bloc*” desired to arrogate to the State the monopoly of all teaching, so that no superstitious father might be able to send his son to a school infected with clericism. Outside the “*bloc*” but still republican in their views were the “Progressives.” The Progressives are moderate republicans, favouring the separation of Church and State, and anxious for social reform of a conservative kind. They are essentially patriotic. Finally we have the “Right” wing of the Chamber composed of “Nationalists,” “Liberals,” and “Conservatives,” small parties of a more or less conservative and religious tendency, but of little importance.

Since their recent successes the Unified Socialists occupy one-eighth of the seats of the Chamber of Deputies. This is obviously a much larger proportion than that to which the party would be entitled in view of the total number of professedly socialist voters. The causes of their success must therefore be sought in other quarters.

The first and most potent cause of the Socialist triumph was the sectarian policy of the Radical Government. The separation of Church and State was a measure which met with general approval, but when this was followed by a suggestion that the Church should be altogether banished from France, and that all parents should be compelled to send their children into the atheistic atmosphere of the State schools, the more moderate electors felt moved to vote for the Socialist, who promised tolerance for all beliefs, rather than for the Radical, who promised tolerance for only one.

Again, the Socialists have won many votes through their attitude towards electoral reform. For many years the French Deputies have been elected by a number of small single-member constituencies. This *scrutin d'arrondissement* leads to very intimate relations between electors and elected, but it is subject to two great drawbacks. First, there is no provision for the representation of minorities, and secondly,

the welfare of the parish becomes more important to the Deputy than the welfare of France. Accordingly, a very strong feeling has arisen in favour of proportional representation for larger electoral divisions. The Unified Socialists have been in favour of this reform, the Radicals, in the past at any rate, have not. Even the *Socialiste*, the organ of the "unified" party, calls attention to the influence which these questions have exerted, and, speaking of the successes of the party, goes on to say "It is not for them or against them that the campaign has been fought. We can say with truth that they were not in the fight at all." The *Débats* in an excellent article points out that "the Socialist candidates have benefited by the unpopularity attaching to the old Combist bloc, the electors have forgotten that the Socialists were the instigators, the accomplices of Combism, that the name of M. Jaurès ought to be coupled with the names of MM. Combes, Pelletan and Andre, as that of a master with his servants. To conclude, because at the present time the Socialists are in opposition numbers of electors have voted, not so much for them, as against the Radical majority, and the discredited *scrutin d'arrondissement*."

Another feature of the Socialist success has been the large number of votes gained by them in the rural districts, where, as a rule, they find least support. This has been attributed to the nature of their propaganda. Following the example of M. Vandervelde in Belgium the French Socialists have been spreading the doctrine "that collective appropriation is not enjoined on us in the interests of society, except in those branches of industry where concentration of capital has caused small properties, established by labour, to disappear." The result of this propaganda, thanks to the efforts of M. Compère-Morel, supported by *L'Humanité*, seems to have been surprisingly successful. The votes gained for Socialism in the country have far more than outweighed a small loss in the towns.

Turning next to the composition of the Unified Socialist party we notice that its members are largely drawn from the *bourgeoisie*. There are doctors, lawyers, journalists, chemists, and so forth, all of whom seem rather out of place in an anti-capitalistic party. The Unified Socialists in this way differ markedly from the English Labour Party, though they do, of course, number some working men in their ranks. As to the internal organization of the party the outlook does not seem very bright. Not only are its members sharply divided on the subject of workmen's pensions, they are also at issue on a much more fundamental question, and one which has proved a stumbling block in other countries also. The question shortly put is this: May a Socialist take office in a *bourgeois* government? At the international conferences of Paris and Amsterdam it was decided (in the latter case by a majority

of two only) that class warfare is a leading principle of international Socialism, and that this principle forbids anything beyond temporary coalitions with the *bourgeoisie*. This may be the theory, but the practice is otherwise. In Belgium and in Italy Socialist deputies have declared themselves ready to accept office. In France the Socialist party is divided between the uncompromising class warfare of M. Guesde and the "broad policy of evolution" of M. Jaures. The followers of the former are more numerous and better disciplined, the followers of the latter are more remarkable for their intellectual gifts.

But the internal affairs of the Socialist party must depend to a very great extent upon their relations with other parties, and here we are upon very uncertain ground. The "progressive" journals maintain that the old "bloc" is dead, and that some new combination of parties and groups will in due course crystallize out of the present confusion. M. Combes, on the other hand, thinks that by paying heed to his old maxim—"No enemies to the Left"—the "bloc" may be constituted afresh. However, there is little profit in attempting to adjudicate between rival vaticinations. We shall not have to wait long for the resolution of our doubts.

D A BARKER

CURRENT ECONOMIC PERIODICALS.—In the *Economic Journal* for June, Prof. Nicholson has an article on the "Economics of Imperialism," in which he argues in favour of imperial union on the lines laid down by Adam Smith. Mr. I. G. Gibbon, in writing on "Compulsory Insurance against Unemployment," contrasts the schemes in vogue on the Continent with those foreshadowed for the United Kingdom. Mrs. Bosanquet has an interesting and instructive article on the "Historical Basis of Poor Law Policy." The author defends the Poor Law administration from the attacks of Mr. and Mrs. Sidney Webb, as contained in their recent work on "English Poor Law Policy." Other articles in this number are the "Transference of the Worsted Industry from Norfolk to the West Riding," by J. H. Clapham, the "German Bank Commission, 1908," by Prof. W. Lexis, and "Reforms in the Currency of China," by Un Yuen Hsu.

In the *Eugenics Review* for April, Dr. F. C. S. Schiller writes on "National Self-selection," concluding "with considerable confidence that national self-selection is not impossible because it is natural, and that it is capable and deserving of being turned into a great instrument for good." Dr. Raymond Pearl writes on "The possible Eugenic Bearing of certain Experiments with Poultry," dealing with the influence of parental environment, fecundity and heredity on offspring. Dr.

Saleeby contributes a valuable article on "Racial Poisons Alcohol" "By racial poison I understand a substance which, whether or not injuring the individual who takes it, is hable to injure the race of which he (or she) is the trustee" The author argues in favour of the view "that the practically complete immunity of their parenthood from alcohol is one of the great factors that explain the all but unexampled persistence of the Jews, and their present status in the van of the world's thought and work," and he inclines to the belief that "in the Armageddon of the future those ancient races and civilizations hitherto so much despised, which do not drink alcohol, will be in a position of immense advantage as compared with the relatively transient Western civilizations which continue to countenance the use of this most potent of all agents of racial degeneration" Col C H Melville writes on "Eugenics and Military Service," and Mr Newton Crane on "Marriage Laws and Statutory Experiments in Eugenics in the United States"

We welcome the first number (April) of the *Town Planning Review*, a journal devoted to the subject of town planning in its various aspects, sociological, architectural, engineering, legal, and hygienic Two important articles are included on "An Introduction to the Study of Civic Design," by Professor Adshead, and "A Comparative Review of Examples of Modern Town Planning and Garden City Schemes in England," by Patrick Abercrombie Altogether there are eighty-six pages of matter, and a number of beautiful illustrations The magazine is published by the Department of Civic Design in Liverpool University

The *Local Government Review* for February begins with a eulogistic article by Sir Robert Hunter on Mr Burns' "Housing and Town Planning Act" In describing the "Revenue Resources of Local Authorities" Mr Holt Schooling emphasizes the need for more compulsory audit, and of a closer examination of municipal enterprise returns Other articles are on "The Problem of the Child," by Helen Bosanquet, "Local Government in the Colonies," and "The Problem of a Pure Milk Supply," by Dr Menzies

In the March number the party leaders on the London County Council discuss their respective policies There is also an article on "German Legislation with regard to Infectious Diseases," and Mr Holt Schooling continues his hostile criticism of municipal enterprise

The April number contains papers on "Local Government and Free Institutions," "Life and Health," "Capital," "The Care of Public Records," and "The Problem of the Newsroom"

The first of a series of articles on "Systems of English Local Government" appears in the May issue, dealing with the ancient types of the

borough and the parish Other articles are on "English Poor Law Policy," by Professor Bosanquet, "Protection of Ancient Monuments," and "The Sharing of Legal Expenses by Local Authorities"

In the *Clare Market Review* for May Mr Robert Jones writes on "Dualism in Economics," arguing that economics is a science of ratios and so of dualisms First, there is the fundamental dualism of Men and Things in production, and secondly, both the existing theories of value—the Marginal Utility and the Quantity of Labour theories—have developed dualisms In "The Organization of Boy Labour," Mr N B Dearle seeks to classify its various forms, as blind-alley trades, partial blind-alley trades, and the wasteful recruiting of skilled trades, and outlines a scheme of organization to check the waste that is thereby incurred

The May *Socialist Review* contains articles on the "Seasonal Variations of the Wage Fund," the "British Labour Party," and a sketch of August Bebel in commemoration of his seventieth birthday The "Cause of the Indian Discontent" is ascribed to the recent partition of Bengal

The *Quarterly Journal of Economics* for February devotes considerable space to the British Budget of 1909–10 In one article by Mr Porritt "The struggle over the Lloyd-George Budget," is discussed with what is to British readers refreshing coolness, in another, "The Single Tax in the English Budget," Professor Davenport dwells on the "April-fool illisiveness of all *ad valorem* methods of taxation" He says, "To attempt to take the income and yet leave the value is to saw off the limb upon which the single taxer has elected to sit—to eat the honey and still expect to bait bear traps with it It recalls the case of that Frenchman who did not like spmarch and was glad he did not, for, he said, 'If I liked it I should eat it, and the very smell of it makes me sick'" Professor Sprague contributes the first of a series of articles on "Proposals for strengthening the National Banking System," and Mr Thornton Cooke concludes his study of the "Insurance of Bank Deposits in the West" Other articles are "Yeoman Farming in Oxfordshire from the Sixteenth to the Nineteenth Century," by H L Gray, and "Co-operative Marketing of Californian Fresh Fruit," by F Wilbur Powell The Notes and Memoranda include "The Corn Bounty Experiment of Charles II" by N S B Gras It appears that the celebrated corn bounty of 1688 only carried on, or rather took up again, a plan which had already been in force for seven years under Charles II, a circumstance which makes some of the assertions of economic historians about the reasons for establishing the bounty look rather foolish

In the *Political Science Quarterly* for March, Mr Joseph B Ross, under the title "Private Conscience and Corporate Right," treats in a broad-minded manner of the functions and legal status of industrial corporations, and of the unsympathetic attitude of the average American to them Mr Harold M Bowman discusses the constitutional relations of "Congress and the Supreme Court" of the United States, and "The Payne-Aldrich Tariff" is shown by Mr George M Fisk to be on the whole more highly protective than the Dingley Tariff it superseded. The same journal also contains a second article by Mr W F Willoughby on "Municipal Government in Porto Rico," bearing on the financial aspects of the subject, an account by Mr Isaac Grinfeld of the "Monetary Experiences of the Argentine," illustrating the usual depreciatory course of inconvertible paper currencies, and the reproduction of a pretentious address on "The British Budget and Social Reform," delivered by Mr George Paish before the Academy of Political Science at Columbia University

The *Annals of the American Academy of Political and Social Science* for March deals solely with "Public Recreation Facilities" An introductory article describes briefly the nature and character of the parks and recreation facilities in the United States, it defines roughly the place and functions of national, state, and city parks, and refers to a few of the general principles which are not included in the more specific articles of the volume It explains that the national parks comprise great tracts in the Far West which have been set aside by the Federal Government because of their altogether uncommon interest or great beauty The national parks are, of course, greater than the state parks, which may prove more generally useful as recreation grounds for the great body of the people, but neither of these is so well known as the city parks, which are found, and indeed considered essential, in all cities worthy of the name Two series of articles follow, one on typical parks in different parts of the States, and one on the social significance of parks and playgrounds

In the *Journal of Political Economy* for March, Mr H Parker Willis completes his hostile criticism of "The Tariff of 1909," describing its provisions for a maximum and minimum tariff, and their effect on the relations between the United States and foreign countries, more especially France and Canada In "The Rationality of Economic Activity," Professor Wesley C Mitchell discusses the psychological assumptions of economists The need for an "evolutionary view-point" is emphasized, while he considers that their errors are due chiefly to their treatment of the "pecuniary concept" as merely symbolic

In the April number, Mr E H Downey attacks the psychological theories of economists from a more specific standpoint, and endeavours to prove "The Futility of Marginal Utility" He asserts that "If the theory be interpreted hedonistically, it is psychologically invalid," while if it is deprived of this meaning, it only puts into obscure language truisms of everyday life Mr Isaac Lippincott contributes an account of "Pioneer Industry in the West," describing some steps in the economic development of the states westward from Pennsylvania to Indiana And statistics of "Food Prices and the Cost of Living" (1890 to 1908) are investigated by Mr J D Magee

The *Supplement* of "Le Musée Social" for February consists of an interesting account by Commandant Reynaud of the social and economic life of the people of Peramos, an isolated Greek settlement on the Sea of Marmora

The March number contains an article by M Henri Cavaillès on "Co-operation in the Pyrenees" It appears a fairly large amount of co-operation takes place in mining, irrigation works, and in dairy farming The author notes that in the last-named case, the enterprises are all confined to the summer pasturages on the mountain sides, and, further, that the associations exist exclusively for production, having no concern with the sale of produce

M Levasseur begins an historical sketch of French coinage in the March number of the *Revue d'Economie Politique*, and we also find the conclusion of M Olphe-Gallard's articles on the effect of machinery on unemployment

La Reforme Sociale for February continues the discussion of rural depopulation, and the various remedies proposed for the present state of affairs There is an appreciation of the "English Garden Cities," and a thorough examination of the causes of rural depopulation in Germany by M Blondel

The *Revue Sociale Catholique* for February gives an instructive account of the organization of the local Catholic Congresses in Belgium In the following numbers for March and April we have a critical description of the strikes in the quarries of Ecaussines, and a full report of the Catholic Congress at Mechlin

The *Giornale degli Economisti* for January has an appreciation of Leone Walras' scientific work by Signor Pareto Among other articles are "Modern Forms of Industrial and Commercial Enterprise," by

Signor Arias, "Municipalization," by Signor Cabiati, and "The Application of Mathematics to Political Economy," by Signor Amoroso

In the March number of the *Revista Internazionale* Signor Ardiuno discusses the application of Vico's philosophic theory to economic history, particularly in relation to modern questions of fiscal policy and social legislation. There is also a criticism of Labriola's book on "Capitalism," and an account of a new society for helping Italian emigrants.

The Swedish legislation for the protection of workpeople engaged in dangerous trades is described by Mr. Marcus in the February number of the *Ekonomisk Tidskrift*. In the following number Mr. Davidson continues his articles on the incidence of taxation, Mr. Lungberg writes on the waste involved in undeveloped land. "Social Assurance" is discussed by Mr. Anderson in the April number, including sick and invalidity insurance, and insurance against accidents and unemployment.

The relation between Christianity and Socialism is touched upon in two articles in the *Samfundets Krav* for February and March, one dealing with the work of the Bishop of London, and the other criticizing Hermann Kutter's book on "Justice." Mr. Marstrand contributes two papers on "The English Poor Law," in the numbers for March and April. The "Prohibition of Women's Night-work" is also discussed further.

The *Nationalökonomisk Tidskrift* for February contains an article by Mr. Jorgensen on the management of provincial banks in Denmark. In the April number Mr. Lindberg writes on "Compulsory Arbitration in Labour Disputes," but prefers voluntary methods of conciliation. There is also a criticism of the taxation of land values.

OBITUARY

SIR ROBERT GIFFEN, K C B , F R S , LL D

THE death of Sir Robert Giffen is a serious, if not irreparable, loss to statistical study. He had indeed outlived the traditional span of human life, and his published contributions, both official and independent, to statistical literature were considerable in bulk. His *Essays in Finance*,¹ in particular, had long taken their place among what might appropriately be described as "classical" examples of the right methods of handling and interpreting large masses of figures, while to these he had added in subsequent years not a few detached essays in learned periodicals, dealing both with the general use and misuse of statistics, and with the statistical discussion of particular questions of public interest. To these also, as to the *Essays*, the student could be referred for instruction and example. Even where he was controversial—and, with a full and easy command of the qualifications, he was not immune from some of the characteristic failings of the robust and confident controversialist—he retained and exerted with effect the peculiar quality by which he was in a marked degree distinguished from other statisticians who have not been inferior to him in knowledge or technique.

He was perhaps specially apt at the comparative appreciation of large quantities, but his supreme gift as a reasoner in figures was probably derived from his experience as a writer in and an editor of the newspaper press. His earlier connexion with the *Economist*, under Bagehot, and the intimate knowledge he had acquired of the motives and the acts of business men as City Editor of the *Daily News*, stood him in useful stead when, in later life, he superintended at the Board of Trade the production of official statistics, or from the Presidential Chair of the Royal Statistical Society, or of the Economic Science and Statistics Section of the British Association, addressed a reasoned discourse to a scientific audience. In the best sense of the words, he could instinctively turn out "good copy", and, without any sacrifice of the exact appraisement of numerical relations, he could make the figures with which he dealt intelligible and interesting and even

¹ Subsequently republished as *Economic Inquiries and Studies*

fascinating. He had, in fact, the capacity of the practised journalist for bringing out and driving home his points, and for handling with masterful dexterity material which might seem at first invincibly repugnant to such facile manipulation. He could, in short, be scientific without becoming technical, and I regret unfeignedly that he did not do, before his death, what no one else could have done so well, and what I think is especially needed at the present time—namely, write a brief manual on statistics, treating particularly of the most common statistical mistakes, which would be popular and would not be technical.

But, although Sir Robert Giffen's retirement from the Civil Service was followed by some years in which his pen was not inactive, and although, up to his sudden death, his mental energy was not relaxed, and his power of clear, forcible statement remained intact, he was apparently not drawn in the particular direction I have noted. As an economist, he was so far limited that he probably had not been at the pains to master the more recent literature, and his conservative tendency in this respect was shown in his attitude both towards bimetallism and towards tariff reform. In both instances his opponents may have felt that he was unwilling, or perhaps unable, to do justice to their contentions, and they may have thought that in these vexed controversies he exhibited sometimes the less admirable traits of the skilful controversialist. Yet it is curious to note that in either of the two debates he furnished the side to which he was hostile with some of their most powerful ammunition. For it was Sir Robert Giffen who demonstrated the existence, and indicated the cause, of the fall of prices after 1873, and it was Sir Robert Giffen also who recently insisted on the imperative necessity for widening the basis of taxation. And although we might differ from him in his conclusions, our very use of the material he supplied was no idle compliment, while of the attractiveness as of the ability of the man himself it was impossible for those who came, at any time, into contact with him to feel any doubt. He was a firm friend and an honest foe, and the writer of this notice will never fail to remember gratefully the kindly help he readily extended, as a veteran of repute, to a young economist starting on his professional career.

L L PRICE

LEGISLATION, PARLIAMENTARY INQUIRIES, AND OFFICIAL RETURNS.

THE Budget of 1909-10 will be remembered especially for its attempt to deal with the unearned increment. Political economists from Mill onwards have generally recognized that land which increases in value without any effort on the part of the owner, owing solely to the growth of population, should be a special subject of taxation, but hitherto this has been considered impracticable. The Chancellor of the Exchequer endeavoured to solve the problem in some degree by introducing into the Budget the following proposals: (a) A tax of 20 per cent on the increment of value accruing to land from the enterprise of the community, (b) a halfpenny in the pound tax on undeveloped land, and on ungoten minerals, and (c) a 10 per cent reversion duty upon any benefit accruing to a lessor from the determination of a lease. For the purposes of assessment he proposed a complete valuation of the land of the United Kingdom on a capital basis. A large amount of controversy has raged round the proposals, and it was principally upon their account that the Budget failed to pass the House of Lords.

That there is much to be said on both sides of the question may be gathered from the recently published *Second Series of Memoranda and Extracts relating to Land Taxation and Land Valuation prepared for the Chancellor of the Exchequer* (Cd. 4845, 79 pp., 8d.). In this may be found an all-round view of the matter, containing as it does the results of practical experience in foreign countries, extracts from reports of Royal Commissions and Parliamentary Committees on Land Values Taxation, replies from the best authorities in finance and economics to the question, "Should ground values be separately rated for local taxation purposes, and if so, on what principles?" and the recommendations of the Housing of the Working Classes Commission with regard to the rating of vacant land.

A precedent for the taxation of building sites is to be found in Italy, where a communal tax on building sites is allowed to be raised with the authority of the central government when it can be shown that additional house accommodation is required. This tax is usually one per cent of the declared value, but in Rome the municipality has power to increase this to three per cent. Gardens and open spaces

are exempt The value of the site is taken from the declaration of the owner, but the municipality has power to purchase property at the declared value, and this acts as a check upon under-valuation

The advantages and disadvantages of the separation of land from improvements for purposes of taxation are well brought out in the special draft reports of Mr Dundas White and Mr Remnant to the Select Committee on the Land Values Taxation (Scotland) Bill, 1906 In Mr White's opinion all valuation of landed property throughout Scotland should be based on land value, and local taxation should be shifted from the present valuations to the valuations of land value The advantages he claims for this system are (1) There would be only one system of valuation for local taxation (2) The economic benefits of taxing land values would be adequately secured, and land would be more easily obtainable (3) Houses and other improvements would be untaxed, so that building and other industrial developments would be promoted (4) The making of the land more easily obtainable, coupled with the untaxing of houses would help in a double degree to solve the housing problem in both town and country (5) The development of the country districts, resulting from the greater facilities for obtaining land and from the untaxing of improvements, would help to relieve the over-pressure in the towns

Mr White sees no insuperable difficulty in the scheme, which he points out has been in operation for some years "with excellent results" in New Zealand, and several of the Australian colonies An interesting point arises with regard to railways and canals These, it is contended, usually contribute more than their fair share to local taxation, and when better stations are built, they are assessed and rated in proportion to their outlay upon the improvements But the value of the land to the railway company arises from its being part of a general system, and under the circumstances should have special consideration Mr White accepts this view, but would meet the difficulty "by considering in each case the amount which could reasonably be obtained for the land in question, assuming that the railway or canal were abandoned as such, and that the owners were free to sell The same principles are applicable to docks and harbours"

Mr Remnant, on the other hand, says decidedly that "no benefits are likely to accrue from the proposed change which will compensate for the disturbance and difficulties which will be attendant upon it," and concurs generally in the findings of the Town Holdings Committee, 1892, and the Royal Commission upon Local Taxation, 1901, which he quotes at length The suggestion that land is held up by proprietors he waives aside as not proven, no important instance having been brought forward as evidence The portion of his report dealing with

feu duties is instructive, as showing the essential difference between the English and Scottish systems of land tenure

We turn to the opinions of financiers and economists in the hope that there at least may be found some sort of agreement, but they illustrate more fully than ever the difficulties of the subject. In theory the weight of opinion seems to lie on the side of the taxation of ground values, but the practical arguments on the other side are very strong, and cannot be ignored.

The extent to which a better feeling of mutual trust and consideration between capital and labour has grown is abundantly shown by the Seventh Report of the Board of Trade on *Proceedings under the Conciliation (Trade Disputes) Act, 1896* (Cd 5, 172 pp, 8½d). The period covered by the Report is from July 1, 1907, to December 31, 1909, and the number of cases dealt with during that time was 133. Among these were the grave disputes which occurred in connexion with the Railway Servants, the Engineering and Shipbuilding trades on the north-east coast, and the Scottish Coal Trade. In each case a settlement was effected with the assistance of the Board of Trade. The formation of Conciliation Boards for the employees of the Tramways Department of the London County Council is another important piece of work carried out under the Conciliation Act. At the end of 1909 there were altogether some 277 Conciliation Boards in various trades throughout the country. In the appendix to the Report will be found a tabular summary of cases in which action has been taken by the Board of Trade, and a detailed statement of each case.

Under the Factory and Workshop Act, 1901, Medical Officers of Health are bound to report to their local councils specifically on the administration of the Act in all workshops in their districts, and to send a copy of the Report to the Secretary of State. Some idea of the manifold duties of medical officers may be gained from the *Summary of Reports by Local Authorities in respect of Workshops, Outwork, etc., in the year 1908* (Cd 5110, 14 pp, 2½d). Altogether in the United Kingdom 484,569 inspections were made, followed by the issue of 32,228 notices for the remedying of defects. It is satisfactory to note that in the majority of cases the notice was sufficient for the purpose, for only in 111 cases was it necessary to resort to prosecution. Out of about 66,000 defects found, 24,500 arose from want of cleanliness, and over 12,000 from want of proper sanitary accommodation. No doubt the growing knowledge of hygiene amongst the working classes will do something towards remedying this state of things.

The blue book recently issued by the Board of Trade, under the title of *Reports on Railways in Belgium, France, and Italy* (Cd. 5106, 282 pp, 2s 4d), embodied the results of minute investigations into

the railway systems of these countries, with a special view to the success or failure of State railways. In each case there is a concise history of railway construction in the country, followed by a wealth of detail as to organization and working both of goods and passenger traffic.

The development of the Belgium system dates from 1834 when a law was passed "confirming the inauguration of a State constructed system of railways." The first section opened was from Brussels to Malines, and extended later to Antwerp, Verviers, and the Prussian frontier. For five years the new lines were constructed and worked by the State, but an idea having arisen in the minds of the public that railways were too costly to become a general mode of transit, the rates were fixed so low that financial failure was inevitable, and when extensions were proposed, the Chambers refused to sanction any further expenditure. Consequently, concessions were granted to private companies. These were of two kinds: in the first, the company constructed the lines, and the State operated them, while in the second, both construction and operation were carried out by the company. In the latter case the companies naturally looked to their own advantage, and combining, competed with the old State lines. The principal reason for the acquisition of the railways by the Government was the fear lest they should come under the control of foreign financiers. This policy has been followed since 1871, and it has the great advantage of a unification of tariffs. The railways are run, not so much as profit-making concerns, but rather for the purpose of developing the resources of the country.

Railway concessions for locomotive traffic were first granted in France in 1833, and the question of State railways came to the front three years later. It was not, however, until 1842 that the State commenced an extensive policy of railway construction. The method pursued was that the State constructed the earthworks, and built bridges, stations, and viaducts, leaving the companies to whom concessions to operate were granted to lay the rails and provide the rolling stock. In each case there was an agreement that the railways should ultimately revert to the State. In 1906 the French railways extended over a length of 52,750 kilometres.

The first Italian line to be opened was from Naples to Portici in 1839, and from that time the progress of railway construction was very slow. Sometimes the work was carried out directly by the various states, and sometimes by concessions to private companies. It was nearly twenty years before railways were working in all the Italian states. At the time of the constitution of the kingdom of Italy in 1860, 2189 kilometres of line were working.

Between 1868 and 1880, three of the four existing large companies,

the Calabrian and Sicilian, the railways of Upper Italy, and the Roman Railways were taken over by the State, but in 1885 the working of these railways was again conceded to private companies, the line being divided into three large systems, the Mediterranean, the Adriatic, and the Sicilian. The apportionment was for 60 years, but the State reserves the power of reclaiming the railways at the end of every twenty years. This right was exercised after the first twenty years, when the State resumed its control in 1905. In 1907 the length of line worked by the State was 13,231 kilometres.

A useful volume is the *Directory of Industrial Associations in the United Kingdom for 1910* (Cd 5006, 202 pp, 10½d), issued by the Labour Department of the Board of Trade. This is the sixth edition, and contains the names and addresses of Secretaries of all Associations of Employers or Workpeople concerned with questions affecting labour so far as known to the Department. In addition to the usual matter the present edition includes the Central and Sectional Railway Conciliation Boards, and a list of Allotment and Small Holding Societies.

The office of Public Trustee is not so generally known as it deserves to be. The *Second General Annual Report by the Public Trustee* (Cd 5087, 15 pp, 1d) will serve to call attention to this office, created in 1906 for the benefit of those seeking a trustworthy person to administer a small estate. The work done by the Department has already been considerable, and is growing at such a rate that it has been necessary in one year to more than double the staff and considerably augment the office accommodation.

By the Act of 1906, the Public Trustee may, if he thinks fit, act in any of the following capacities: (a) as administrator of estates of small value, (b) as custodian trustee, (c) as an ordinary trustee; (d) as a judicial trustee, and (e) as administrator of the property of a convict under the Forfeiture Act, 1870.

Within the last few years a good deal of progress has been made in our system of elementary education. For instance, the old method of cramming is fast disappearing, and the schools are realizing that their main purpose is to develop the intellectual faculties of the pupils. This fact is emphasized in the encouraging *Report of the Board of Education for the year 1908-1909* (Cd 5130, 200 pp, 9½d). It is divided into two main portions, the first giving a general survey of the progress made during the last ten years, and the second detailing the main facts in connexion with the various departments of the Board's work. In no direction has the department been more active than in the training of elementary teachers, with the result that they are far more thoroughly equipped for their work than ever before. Another great improvement has been made by reducing the size of the classes entrusted to the charge

of single teachers, so that the various capabilities of individual children may be studied and developed. In these and in many other ways the Board is endeavouring to make elementary education more efficient, and the result on the whole is most satisfactory.

The Act of 1906 for the provision of meals for school children was the logical outcome of the Elementary Education Act of 1870. When once the State had assumed the duty of enforcing the education of all the children of the nation, it could only be a matter of time before the State should also recognize its responsibility for the physical condition of the children attending its schools. "Mens sana in corpore sano" is a maxim widely known and universally accepted, and yet it has taken nearly thirty years to apply it in the most vital direction. The principal objection to the State-feeding of children was the possible danger of weakening parental responsibility, but the Malthusian may rest content under the present Act, which is designed rather to ensure that children attending elementary schools are in a proper condition to receive the instruction provided, than that the Education Authorities should assume actual responsibility for avoiding insufficient nourishment. The problem is no doubt a difficult one, but a wise administration of the Act should avoid any serious risks. According to the *Report on the Working of the Education (Provision of Meals) Act, 1906, up to the 31st March, 1909* (Cd 5131, 50 pp., 3d.), this principle has been kept well in view, and the responsibility of the parent is insisted upon. Meals are not provided free except in extreme cases, but a nourishing diet, generally designed by the Medical Officer for the district, is provided at a small cost. Several specimen dietaries are given. The following is a week's fare provided by the Bradford Education Authority. The charge is 2d per meal, including bread. *Monday*—Lentil and tomato soup, currant roly-poly pudding. *Tuesday*—Meat pudding (stewed beef and boiled suet pudding), ground rice pudding. *Wednesday*—Yorkshire pudding, gravy, peas, rice and sultanas. *Thursday*—Scotch barley broth, currant pastry or fruit tart. *Friday*—Stewed fish, parsley sauce, peas, mashed potatoes, cornflour blancmange.

The Report issued by the Board of Trade on *Working Class Rents, Housing, and Retail Prices, together with the Rates of Wages in certain occupations in the principal towns of Belgium* (Cd 5065, 218 pp., 2s. 2d.) contains information comparable as far as possible, with that given for the United Kingdom in an earlier Report. The result of the inquiry goes to show that the English workman removing to Belgium would be very much worse off than he is in his own country, for whereas the average rents in Belgium are 26 per cent lower than in England, and the cost of living about the same, the weekly earnings are 37 per cent below those of this country, and the number of working hours 21 per cent

higher The hourly rates of money wages are as 52 to 100 The average number of hours worked by a bricklayer in this country during a full summer week is $52\frac{1}{2}$ as against $67\frac{1}{2}$ in Belgium, and the average weekly rate of pay for an English bricklayer is from 37s 6d to 40s 6d, while the Belgian gets from 20s 9d. to 24s This is a fair example of all the building trades In the engineering trades conditions are slightly better, the average weekly hours worked by a fitter being $60\frac{1}{2}$ as compared with 53 in this country, and the wages ranging from 19s 9d to 22s 10d as against 32s to 36s

Last year a Departmental Committee was appointed "to inquire into and interpret the principal forms of trade description (as defined by section 3 of the Merchandise Marks Act, 1887) at present applied, in the United Kingdom, to different grades of butter, and to suggest what additional measures, if any, it is desirable for the Department to take in the interests of the Irish butter industry, with special reference to the prevention of loss or injury to the industry from the use of false trade descriptions" The result of the inquiry will be found in the *Report of the Departmental Committee on the Irish Butter Industry* (Cd 5092, 36 pp, 4 $\frac{1}{2}$ d) There are three grades of Irish butter—creamery, dairy, and factory, and the most important business of the Committee was to define each accurately, and more especially "creamery butter," a term which has hitherto been loosely used for any high class butter, whether made in a creamery or not The definition of creamery butter laid down by the Committee is "Unblended butter made from cream separated by centrifugal force from the commingled milk supplies of a number of cow-keepers, in premises adapted and utilized for the manufacture of butter in commercial quantities" The Committee are of opinion that legislation is necessary to ensure that the terms of the definition are complied with, and recommend that creameries should be subject to regulations "somewhat similar to the statutory requirements with which owners of butter and margarine factories have at present to comply in regard to the registration and inspection of their premises" It is suggested also that some action should be taken for the prevention of the supply of dirty milk to creameries, this being "one of the greatest defects in the Irish creamery system." Several witnesses urged that any person supplying dirty milk to a creamery should be liable to prosecution

For more than a hundred years societies have existed for the purpose of fighting the drunk evil They have done a great deal of work, and their efforts have met with a large amount of success Drunkenness is no longer tolerated in private life, and public opinion is altogether on the side of temperance But, notwithstanding the change which has come over society, the fact remains that the problem has not been

solved with regard to the man who drinks, not because he is thirsty, but because he cannot help himself To quote from the *Report of the Inspector under the Inebriates Acts, 1879 to 1900, for the year 1908* (Cd 5044, 43 pp., 4½d), "notwithstanding the acknowledged improvement in the general drinking habits of the nation, it is by no means clear that any real advance has been made towards the suppression of habitual drunkenness—the form of drunkenness that gave rise to temperance work, the form that causes all the real misery, and matters most" The habitual drunkard is nowadays hidden out of sight, and the ordinary individual rarely comes into contact with him, but the evil is still very great, in spite of legislative efforts for prevention and reformation.

In 1872 a Departmental Committee was appointed "to inquire into the best plan for the control and management of habitual drunkards" Among the recommendations of this Committee were—"A For non-criminal inebriates, powers to enable (1) The establishment of institutions for inebriates able to pay for residence and treatment. (2) The control of inebriates who voluntarily submit to detention in such institutions (3) The appointment of a guardian over the person and estate of an inebriate on the petition of friends (4) The commitment of an inebriate to an institution on petition of friends B. For recidivist or criminal inebriates, powers to enable. (5) The establishment of institutions for inebriates by State or Local Authorities (6) Magistrates to commit recidivist drunkards to such institutions. (7) The committal to inebriate institutions of habitual drunkards convicted of acts of violence, or other offences"

It was six years before any action was taken, but in 1878 a Bill was brought in embodying proposals 1, 2, and 4 But even this moderate Bill was in advance of public opinion, and the Habitual Drunkards Act of 1879 merely permitted the establishment of retreats into which inebriates could be admitted voluntarily This Act was almost entirely ineffectual, and public attention was again drawn to the evil Another Departmental Committee was appointed in 1892, who again reported in favour of compulsory powers Following upon this Report, the Act of 1898 was passed, simplifying the methods by which consenting inebriates could enter retreats, and making provision for the detention in Reformatories of criminal inebriates The recommendations for the compulsory detention of non-criminal inebriates was again ignored Many retreats were established under the Act of 1879, and some few Reformatories under the Act of 1898

Difficulties arising out of the administration of the Acts led to the appointment of a third Departmental Committee "to inquire into the operation of the law relating to inebriates and to their detention in Reformatories and Retreats, and to report what amendments in the

law and its administration are desirable" This Committee submitted the following recommendations, among others—"A For non-criminal inebriates (1) That an extension of the voluntary principle is desirable, inebriates being permitted, as a preliminary measure, to enter into a legal obligation to abstain from intoxicants (2) That certain improvements in the condition governing the licensing of Retreats, and their subsequent management are desirable (3) That a system of voluntary, and compulsory, guardianship should be designed for the control of inebriates (4) That power should be given to relatives, friends, or guardians, to apply for the compulsory committal of an inebriate to a Retreat B For criminal, and recidivist inebriates (5) That the conditions now governing the establishment of Reformatories should be amended (6) That greater facilities should be provided for the earlier committal to Reformatories of recidivist drunkards (7) That facilities should be provided for the committal of inebriates guilty of less serious criminal offences direct to Reformatories from Petty Sessional Courts "

The insistence on the same principles by all three committees is remarkable, considering that a period of thirty years elapsed between the first and third The recommendations of the last Committee have not yet been embodied in an Act, and it will be interesting to see how far public opinion has advanced since the passing of the Act in 1898. In the Appendices a number of interesting tables are given

An abstract of the Annual Statement of the Trade and Navigation of British India with foreign countries for 1908-9, issued in India in two volumes, is given in the *Tables relating to the Trade of British India with British Possessions and Foreign Countries, 1904-5 to 1908-9* (Cd 5109, 135 pp, 1s 1d) The figures do not include the foreign trade of ports in native states, nor foreign merchandise transshipped at Indian ports, and imports and exports of Government stores are dealt with separately.

By far the greater amount of Indian trade is done with the United Kingdom Out of a total of £80,843,818 worth of goods imported in 1908-9, £50,617,819 came from the United Kingdom, while another £6,755,222 worth was sent by the Colonies, leaving £23,470,777 for the rest of the world The total value of the exports of Indian produce and manufactures was £99,882,633, £24,048,132 of which was taken by the United Kingdom, £18,925,874 by the Colonies, and £56,908,627 by the rest of the world Since 1904 imports into India have increased from £64½ millions to £81 millions, while exports which rose gradually from under £103 millions in 1904 to £115½ millions in 1907-8, dropped suddenly in the next year to under £100 millions.

In the Appendix will be found a copy of the Customs Tariff

J L DOUGAN

REVIEWS

THE WORKING FAITH OF THE SOCIAL REFORMER By
HENRY JONES, LL D, D Litt, Professor of Moral Philosophy
in the University of Glasgow [305 pp 8vo 7s 6d Macmillan.
London, 1910]

There is no doctrine so dead as that of *laissez-faire*. No unprejudiced person now believes that a strict attention to the market will issue in the millennium. We all discuss "social problems." We all believe in the possibility of amending "social conditions." But our discussion and our belief are alike nebulous and impracticable, because as yet we have evolved no science of Sociology to serve as a common ground for argument and as an assistance to and check upon our speculation. We merely hurtle arguments from opposite camps, and then shake heads with our enemies over the futility of actual legislation.

Dr Jones comes to remedy this sorry impasse. These lectures and essays are designed to examine the psychology and metaphysics of "social reform" and to lay a first few stones to the foundation of a truer social science. And his design is admirably carried out. He rises to the height of heartening rhetoric and descends to the chastening depths of close philosophical reasoning. It is hard to imagine the kind of man who would not benefit from a study of this book. The Philosopher, however much he might disagree with the criticism and advocacy of modern Idealism, is here very practically warned against the danger of becoming that "bloodless remnant of a man, which deals with abstractions and does nothing to help the world." The "plain man" is shown that all action in the social sphere is dangerous unless based on a scientific understanding of society. To the ardent reformer, Dr Jones reveals the pitfalls into which a lack of philosophical principle may lead both him and the society he wishes to reform. To the "ordinary business man" who is inclined to pride himself on his abstention from civic and imperial politics he shows the selfish stupidity of that satisfaction.

On the whole, the best value of this book lies in its treatment of the doctrines of Individualism and Socialism. Their antagonism is so predominant at the present moment that the subject recurs in different

contexts in several essays. The Individualist is unwilling to increase the sphere of State regulation, for fear of limiting the scope of individual development. The Socialist, on the other hand, welcomes the limitation of the individual's power which he conceives to follow upon increased municipal and social action. To this disagreement Dr Jones applies the favourite Idealistic solution of the inclusion of opposites. The quarrel is unreal. The antagonists are the victims of their own metaphors. The truth is that the spheres of individual and of social activity may and do enlarge together. The country carries my letters. The city provides me with trams. By both these boons the possibilities of my own activity are sensibly enlarged, while the personal privacy of that activity is in no way violated. Personal freedom is often highest where social activity is greatest. What, then, are the limits of legitimate social activity? They must vary with the normal character of the individuals composing the society. No sphere is too wide for a community of honest and intelligent men whose sole aim in social action is the benefit of each individual citizen: no sphere can be too narrow for an unintelligent or self-seeking body.

Dr Jones is too wise and too modest to solve modern social problems finally for his readers. He would hold such interference with their conscience a hurtful act of impertinence. But on such a question as that of Fiscal Reform he offers a useful criterion. Would the proposed alteration act favourably or unfavourably on the moral character of the community? That is the important question. If the dangers of "lobbying" are real, as the bitter experience of America and the growing uneasiness of Germany suggest, can we afford to create "larger opportunities and greater temptations to political and industrial corruption"? If we subject our legislators to the harassing temptations which must arise immediately we give them the power to use taxation for purposes other than that of merely raising money to cover the expenses of government, are we not rashly throwing our national character among the stakes?

The immense growth of social sympathy in recent years provides the reason and the opportunity for social reform. What must be its method? Not revolution, for that means the destruction of the society in and through which we realize our individual powers. Not conservative acquiescence, for the conditions of the moment hamper the development of large classes of individuals, and if one member suffer, all the others suffer with it. The reformer's outfit must be "insight into the needs of men, a high opinion of human nature, and trust in the good already working in the world." He comes not to destroy but to fulfil. He must never forget that society is not a mechanism nor an animal but a spiritual organism. It is the product of human

reason: therefore he must study to interpret it rationally. It is the product of human wills, and therefore it is on human wills that he must work. He may alter social institutions to bring them into closer conformity with a changed will, or to remove some check upon a growing will for good, but his main object must be to *moralize them as they stand* until each social institution is an instrument of good life. This is wise advice. Dr Jones points to the ailing spots, but he does not clap his hand over the place and recover the leper. His prescription is as untheatrical as the Prophet's. We must do our duty and help other people to do theirs, and we must interpret our duty liberally and with a sensitive conscience, humbly hoping that they will do the same.

W. H. FYFE

EVOLUTIONARY SOCIALISM By E. BERNSTEIN [xxiii, 224 pp. Crown 8vo. 1s net. Independent Labour Party. London, 1909.]

MEN THE WORKERS By H. D. LLOYD. [280 pp. Crown 8vo. Doubleday & Page. New York, 1909.]

An English translation of Bernstein's *Evolutionary Socialism* will be welcomed by students and thinkers of all shades of opinion in this country. Not only has the book itself great intrinsic value, but it is of further interest in showing the latter-day developments of German Socialism as conceived by its leader. Moreover, the author traces the modifications that have been made in the Marxian theory by Marx's own supporters. This theory, like that of the classical economists, had to make its starting-point from a clear-cut and absolutist statement of the case. This Bernstein shows, but like Political Economy, it has undergone, partly in the writings of Marx himself, a gradual modification which has brought it back out of the abstract into line with the concrete facts of industrial conditions. Thus it is that Bernstein shows in his very interesting first chapter which deals with the scientific elements of Marxism, and the materialistic interpretation of history with which it is so closely bound up, and various non-economic forces are shown to influence the main determining factor which is "the material production forces and the conditions of production among men at the time."

Meanwhile the main line of argument is still upheld, though, as stated, it is modified into harmony with actual conditions. This is the fact of social surplus value, which is the "excess of the value of the total production of society over the total amount of the wages of the working classes," and this surplus is still declared to be exploited by the owners of

capital from the workers But Bernstein, in putting forward his case, not only fails to rebut the economic arguments that justify the share taken by capital out of the product, but is often self-contradictory "In order to secure the market," he says, "the capitalist must strive after a cheapening of production, and thus he attains, when the lowering of wages is resisted, only by means of an increase of the productivity of labour - that is by the perfecting of machinery and the economizing of human labour" This statement of the theory of Marx is put forward to prove the theory of over-production and under-consumption, that Socialists of this school regard as the outcome of the capitalist system Yet how is this admitted increase in the productivity of labour that capital brings about to be reconciled with the theory of exploitation? Bernstein, indeed, attempts to do this by arguing that capital is a dead thing which cannot perform its function unless set in motion by labour, but even so this does not meet the fact that labour without capital can produce far less than labour supplied with capital Thus it may fairly be said that the author himself justifies the share of the product paid to capital on the score of its productivity, for this productivity is admitted

But the modern economic justification of interest has a twofold basis, that just mentioned of Productivity, and the further one of Abstinence or the reward for waiting And curiously enough Bernstein develops his argument in such a way as to give greater force to this latter contention In a very interesting analysis of modern industrial conditions, he shows first that large scale production covers a far smaller area, both absolutely and relatively, than is usually supposed, and secondly that even in the larger businesses, the capital is very often minutely subdivided among a very large number of small shareholders Hence he refutes the arguments directed to showing that surplus wealth is absorbed by "a diminishing group of capitalist mammoths" On the contrary, "the number of shareholders" (in England, for instance, well over a million), "and the average amount of their holdings, has been of rapid growth" The point is, of course, that the exploitation is just the same whether the holders be few or many, the shares large or small "If the working class waits till 'Capital' has put the middle classes out of the world, it might have a long nap" Yet, if the supporters of the abstinence theory want a justification of their case, they will find it in the author's own statement The abstinence of the wealthy capitalist may be a chimera, that of the small investor is nearly always a fact The slow accumulation of a small capital, and the gradual setting of it aside for production, needs real abstinence Thus a benefit is conferred on industry by the individual's very real present sacrifice for a future gain. And, in Bernstein's own words,

this future gain can only be obtained by capital increasing the productivity of labour, and the same is only very slightly less true of the small inherited, than of the small accumulated, capital. Indeed, one feels inclined to say that one gets here the whole economic theory of interest justified as regards both Productivity and Abstinence, and justified as against the Socialistic theory out of the mouth of the ablest advocate of the latter.

Emphasis has been laid on this point because it is almost the most cardinal one at issue between Socialists and their opponents. but there is much else that is of interest in the book. It is, indeed, far more than a mere statement of the Socialist case, for its treatment of industrial conditions of Society gives it a high value from a purely economic point of view. The Theory of Over-Production and Under-Consumption is well worked out. but in my view the author's very able statement of the part played by credit in modifying the former, presents another argument against his own case. The remedy, indeed, would appear to be not socialization but regulation. There is, in Chapter III, an excellent statement and criticism of the Tasks and Possibilities of Social Democracy, its preliminary conditions, the economic capacities of Co-operation (this is treated exceptionally well), and so on. In "Democracy and Socialism," the author, in a well-reasoned treatment, does justice to the Trade Unions, as against the wilder members of his own party. There is a concluding chapter on "Ultimate Aim and Tendency; or, Kant versus Cant." Altogether it is an admirable book, alike for the charity of its reasoning, for its fairness, its candour and above all its honesty.

Space forbids more than a short reference to *Men the Workers*. This is a collection of some speeches and articles of the late Mr H D Lloyd, an American Labour Leader. As is stated in the preface "the Editors have attempted to show Mr Lloyd's attitude toward the Labour Movement in the various concrete forms in which it presented itself." These addresses cover a period of 14 years from 1889 to 1903, and vary from general subjects such as the "Labour Movement," "Safety in Organized Labour," and so on, to more detailed subjects, such as the "Illinois Factory Law, 1894," "The Boomerang Law, 1895," and "The Argument before the Anthracite Coal Strike Commission, 1903." They should provide interesting reading, and whilst, as the authors state, it "has been found impossible to give an appearance of continuity and still less possible wholly to avoid repetition," the speeches at any rate will probably be found to have that living interest that comes from active participation in industrial conflict.

THE SHIFTING AND INCIDENCE OF TAXATION. By EDWIN R. A. SELIGMAN, Professor of Political Economy in Columbia University Third Edition Revised and Enlarged. (xii, 427 pp 8vo Columbia University Press New York, 1910)

Professor Seligman's important work on the *Shifting and Incidence of Taxation* has reached its third edition, and no doubt has deserved this success. The amount of research displayed in the historical chapters is not to be gainsaid, and the working out of the theoretical conclusions is characterized by acute thinking and not infrequently by that valuable description of common sense which prevents the theorist from allowing his theories to run away with him altogether. The writer's faults appear to be the faults rather of his school than of his personality.

The phraseology of "incidence" and of "shifting" has given birth to so many difficulties and to so much confusion of thought that Dr. Cannan, as is well known, with his usual excellent common sense, has suggested that it be dropped altogether, and that the phenomena to which it refers should be discussed under the heading simply of the effects of taxation. His view gains confirmation from the impossibility under which, in the present work, Professor Seligman appears to find himself of using these expressions in the same sense on any two consecutive pages. With regard to "shifting" he says on page 3, "The point to be emphasized is that through the process of shifting the taxpayer escapes the burden of the tax." This is, of course, in accordance with obvious common sense. If you shift a burden on to another man you do not still continue to carry it, or any part of it, yourself. On page 11, however, we hear of cases in which "the seller also suffers a loss, even though the tax has been shifted completely", and at page 344 we are furnished with an arithmetical example in which the producer, owing to the imposition on his product of a tax of \$1 per unit, loses \$900, yet in regard to which it is stated that "the entire tax is shifted to the consumer." Such phraseology is evidently enough very seriously at fault.

When we come again to the inquiry as to what sort of a tax is most likely to be shifted to the consumer, whether it is a general or an exclusive one, we find ourselves faced by statements that appear flatly to contradict one another. Beyond all question the conclusion in regard to the matter that stands out as the obvious one is the conclusion that the more general the tax the more certain is it to be borne by the consumer. The authorities are at one, for instance, in the opinion that the inhabited house duty will be borne mainly by the occupier—in this case the equivalent of the consumer—while an onerous rate,

in as far as it is exceptional, will tend to fall, not on the occupier, but on the landlord. In regard to customs duties it is plain enough that if we tax all imported wheat, we are more certain to make the price of wheat rise than if we allow, say, Canadian wheat to come in free. In all such cases the plain rule is that the more general the tax, the more certain is it to raise the price of the product to the consumer, and indeed our author appears to be frequently in agreement with this view. He is so, for example, when he says (p. 262) with regard to the tithe under present conditions in England, that "as in the case of all partial taxes the burden is borne by the producer and not by the consumer."

Our surprise is considerable, therefore, on turning to page 227, to find, under the heading, "Is the Tax General or Exclusive?" the proposition laid down as one of universal validity that "the less general the tax the greater the chance that the tax will be shifted." Being shifted ordinarily means being shifted from the producer on to the consumer. Here, however, it is conceivable that it might mean the reverse, being shifted (say, in the case of the house tax) backwards from the occupier to the landlord. That explanation, however, will not do for the same proposition as we find it more fully set out on page 253, in these words, "The more general or the less exclusive the tax the narrower the taxless field to which the producers concerned can migrate, hence the greater the incentive to bear the burden themselves." Here then we find laid down without any adequate explanation—indeed without any explanation at all—a proposition which is the direct opposite of the other and more obvious one. It is possible, of course, to discover cases to which it has some application. If you tax mutton, for instance, and leave beef untaxed, you will be more certain to raise the price of mutton than if you tax all farm products. It is by no means clear, however, that the former description of tax will really hit the consumer harder than the latter. There is a confusion it seems between generality in area and generality in class, which is nowhere explained, nor, so far as one can judge, understood by the writer himself. A tax on all wool is, of course, more certain to raise the price of wool to the consumer than a tax on the wool of certain countries only, and from that we may draw the obvious conclusion that the more general the tax the more certain is it to be shifted to the consumer. On the other hand, a tax on the profits of wool growing is more likely to raise the price of wool than a tax on farm products of all sorts, and on that ground we may formulate the apparently opposite conclusion, "the less general the tax the more certain is it to be shifted on to the consumer." The truth is, the more alternative sources of supply that the consumer has, the less likely is he to bear the tax, while, on the other hand, as

regards the producer, the more alternative methods of profit making that lie open to him the more certain is he in his turn to escape it

In addition to the difficulties inherent in the phraseology of incidence the writer introduces fresh complications into his reasonings by adopting in some respects the terminology of the English mathematical school. This is very conspicuously the case in connexion with the use of the expression, "the elasticity of demand". At page 228 he remarks, "We speak of the demand for a commodity as elastic when a change in price produces an alteration in demand. In such a case if the price goes up the demand falls off, if the price goes down the demand increases"¹ This is based on Marshall's dictum that "the *elasticity of demand*"² in a market is great or small according as the amount demanded increases much or little for a given fall in price, and diminishes much or little for a given rise in price"³ It is, as we know, made the basis of many pages of very difficult mathematical reasoning by Professor Pigou in the Appendix to his book on *The Principles and Methods of Industrial Peace*

A moment's reflection, however, is sufficient to enable us to satisfy ourselves that the characteristic here predicated of demand under the name of "elasticity" is an impossible one, impossible because it contains within itself contradictory elements. It takes it for granted that, if, in any given circumstances, a fall in price will cause a great increase in the demand for a commodity, in those same circumstances, a rise in price will cause a great decrease in the demand for it. But why does a fall in price cause a great increase in the demand for a commodity? Why, but because there is a strong and widespread desire for the commodity in the community? But if there is a strong and widespread desire in the community for a commodity, then, other things being equal, a rise in its price will not be attended by a great contraction of the demand for it, and may not indeed be attended by any contraction at all. The epithet "elastic" is naturally applicable to the first case only, the case of a fall in price being attended by a great increase in demand, and is applied to the second, the case of a rise in price being attended by a marked contraction of demand, not owing to any observation of the facts of life, but, apparently, owing to the exigencies of the curve representation system. It is felt that the curves which read from left to right should also be capable of being read from right to left. The highly technical character of the use of "elastic" as applicable to the case of demand that contracts

¹ Taken literally, this of course always, or almost always, happens. What the writer means is that the more marked the change is in each case the more elastic may the demand be said to be.

² The italics are Professor Marshall's.

³ *Principles of Political Economy*, 5th ed., p. 102

on a rise in price may be judged from the fact that if demand expands so that the same amount of the commodity continues to be bought after the rise as was being bought before it, it is then actually said to be inelastic (See p 229)

Inelasticity is thus strangely used as a synonym for what Professor Sidgwick denominates "extensibility" Professor Seligman is himself apparently on some occasions in doubt as to the possibility of using this curious terminology consistently He says on page 229 "The demand may be inelastic in the sense of being constant so that it always remains the same, or it may be inelastic in the sense that any attempted increase completely destroys the demand"¹ But the two things are utterly different and irreconcilable One might as well say that a thing may be black sometimes in the sense that it is white and sometimes in the sense that it is not white. Occasionally Professor Seligman forgets to be technical, to the great benefit of his lucidity, and uses the word "sensitive" where his theory prescribes the use of the word "elastic," and the word "persistent" where it prescribes the use of the word "inelastic"

Another case of borrowing on the part of our author from the English mathematical school, and not to the advantage of his clearness of exposition, is to be found in the sections setting forth the bearing on the incidence of taxation of production under the laws of "Increasing" and of "Diminishing Returns" respectively Professor Marshall's reasoning on this point leads him, as we know, to the curious conclusion that, other things being equal, taxation imposed on commodities produced under the former law will press more heavily on the consumer than taxation imposed on commodities produced under the latter—that is to say, as Nicholson remarks, that it would be better policy to tax agricultural products, mostly necessities, than manufactured products, mainly luxuries The reasoning—which occurs largely in mathematical notes—is, apparently, hardly so much intended for the consumption of the practical man as for the entertainment of an academic coterie Professor Marshall presents us with a diagram on which he bases the conclusion that "If a given aggregate of taxation has to be levied ruthlessly from any class, it will cause less loss of consumer's surplus if levied on necessities than if levied on comforts"²

It is worth while to glance at the process by which such conclusions are arrived at, as it throws an interesting light on the general methods of the school For the producer under conditions of "Increasing Returns"—whom for brevity's sake we may call simply the "Increasing Returns" man, of course, each unit that he adds to his

¹ Marshall would, of course, call it, in this latter case, "elastic"

² *Op cit.*, p. 467n.

production costs him less than the preceding unit did. But for the "Diminishing Returns" producer, on the contrary, each added unit costs him more. The mathematical theorist thereupon takes it for granted without more ado that—as with the definition of elasticity of demand—these propositions can be read backwards as well as forwards. Accordingly, it is held that if you put a tax on to the "Diminishing Returns" man's product, which brings about a reduction in his output, you will make him produce at lower cost than before, whereas if you put it on to the "Increasing Returns" man's product you make him produce at higher cost. But the obvious truth is that such a proposition cannot be inverted. The reason why, in the historical course of events, the "Diminishing Returns" man produced the smaller number of units at a lower cost per unit than the larger number, was that he used cheaper land and less expensive plant in the first case than in the second. But, if now that in the progress of events, he has assumed the burden of dearer land or more expensive plant you put a tax on him and so bring about a diminution of his output, by making him raise his price, you do not put him back in his former position. On the contrary he still has his high rent and his big interest to pay out of his reduced production, and will evidently be much harder hit than the "Increasing Returns" man. To affirm the opposite is to affirm a contradiction in terms. The "Increasing Returns" man, according to Professor Seligman's own statement, is the man who, owing to superior talent or better opportunities, is cutting out his competitors in the struggle for existence (p. 242). Yet he speaks of a case in which the "Increasing Returns" man "remains the marginal producer" (p. 245). But how can he remain the marginal producer? The marginal producer is the unhappy individual who is in course of being cut out by his competitors. The whole series of conclusions spread over eight pages (pp. 240 to 248), appear to be arrived at by laying down in the first instance, as their basis, suppositions that are in themselves contradictory and impossible.

When we reach the important and now burning question of land value taxation we find the writer telling us that, "If land is taxed according to its pure rent, virtually all writers since Ricardo agree that the tax will fall wholly on the land-owner and that it cannot be shifted to any other class." "The point," he says, "is so universally accepted as to require no further discussion." That is surely far too universal a statement as to the condition of economic opinion on the matter. It seems a strange one, too, to come from Professor Seligman, in view of the fact that his colleague, Professor J. B. Clark, for whose views he usually expresses a degree of veneration that has been justly characterized as exaggerated, throws overboard without ceremony the

general doctrine on which it rests, the doctrine that rent does not enter into cost of production¹ Jevons, we know, holds that when pasture land is used for wheat growing the rent that it would fetch as pasture enters into the cost of production of wheat Marshall's only objection to this view is that such rent does not enter into costs directly but only affects them indirectly It does not, of course, matter in the least whether it affects them directly or indirectly, if it affects them at all the Ricardian theory is at once out of court²

Professor Seligman cites Mr Lloyd George's increment tax as a case of a tax on pure rent, a tax, that is to say, which, as he holds, affects no one but the original land owner It is of interest therefore to inquire into the truth of the general doctrine as bearing on this particular case It may be said that at this point the views of the majority of the theoretical economists, and the views of the majority of practical men engaged in or connected with the industries of building and land development unmistakably part company Sir Alexander Stenning, for example, the President of the Surveyor's Institution, in his opening address for 1909 gives it as his opinion without any hesitation whatever that "the ultimate effect of the (increment) tax will be to make houses more costly" His reasons are that the builder and land developer is "a man who takes great hazards, including the risk of landing himself in the Bankruptcy Court," and that "he expects, and rightly, to have at least the chance of substantial reward If so large a share of his profits are to be claimed by the State he must, to protect himself, raise his terms" But the builder and developer, say the Ricardian economists, will get his land so much more cheaply from the landlord that he will be fully compensated for the loss of his prospective profit

Without complicating the discussion of the subject, for the moment, by introducing the anticipated effect of sales and purchases, let us look, in the first instance, at the question from the point of view of existing owners of land At any given date, of course, a great deal of the land development and house building of the country will be found to be in process of being carried out directly by those who are land owners at the moment, and a great deal more of it, it may be remarked, will be found to be financed by them for the speculative builder In these circumstances we know that there will be a certain number of landlords who see clear prospects of large profits to be made by developing and building. There will be, at the same time, a large number of others who would not dream of touching it, and, between the two, there

¹ See *Distribution of Wealth*, chap. xxiii., "Relation of Rents to Value"

² Mr J. A. Hobson elaborates the point very effectively. *Economics of Distribution*, pp. 120-132.

will be the important class, from the economist's point of view, who are weighing the inducements against the drawbacks, and are yet undecided what course to follow. The inducements may be summed up as the returns that will be left to them, from the sale of the houses with the land—whether it be the sale of the freehold or the leasehold—after the costs of developing and building have been fully covered, over and above the amount which they could have got for the land to begin with unbuilt on and undeveloped. In short, it is the increment in pure rent or site value and that alone that they are looking to as the reward of their trouble and their risk. The building itself, once it is put up, of course, only deteriorates in value. But if you take away a proportion, say a fifth, of this increment of site value what can be more certain than that you will deter a certain number of those who are already weighing the chances of loss against the chances of profit from going on with the enterprise. To take “a strong case,” as Professor Cannan, in parallel circumstances, suggests, suppose that you take away the whole prospective increment, it is clear that you will stop building speculation absolutely. You will then leave no inducement to any one to go into it.

So much, then, as to the manner in which the matter stands if we leave the effect of sales and purchases out of account. Is the position in any respect altered if we introduce them? A good many economists take it for granted that the cheapening of land likely or certain to ensue from the imposition of the increment tax must force it into the hands of people who will build on it. But this by no means follows. Professor Seligman quotes but dismisses without comment Professor Smart's suggestive observation¹ that, though such a tax would no doubt tend to force the sale of land, yet, “as the sale would be at a reduced price owing to the impending tax it might force it only into the hands of other and wealthier holders.” This consideration brings home to us, I think, the conclusion that to introduce the effect of purchases and sales does not really affect the question in any way. The new man will simply step into the shoes of the original holder—who will, of course, in his own mind have written down the value of his property—and the line of action that will be adopted by the former will be dictated by precisely the same reasonings and calculations as those which would have dictated the line of action of the latter.

Professor Gonner, in his Memorandum to the Royal Commission on Local Taxation (1899), makes the significant remark in regard to that portion of the Inhabited House Duty which might be regarded as being assessed on the site value that it would necessarily fall on the

¹ P. 284*n*. The remark was not, of course, made with reference to the recent increment tax. It was made some years ago.

ground landlord, "but for one circumstance, namely, that the tax only arises when the land is put to a particular use"¹ In that remark we have the true refutation of the theory that such a tax can fall on no one but the present owner The site is here a mere factor in the production of the thing called a house, consisting of land, bricks, mortar and so on, and embodying labour, and there is no conceivable reason why a tax on such a factor should not affect the value of the ultimate product Professor Seligman himself remarks (p 254) that if we would know whether a tax on anything can be passed on or not one of the first questions we must ask is the question, Is the thing used in further production or not? The site is here used in further production, and consequently the tax on it can be passed on That land is not a reproducible commodity is a consideration that is really quite irrelevant Its importation into the discussion is due to a confusion between the physical and economic points of view Tax land, Mr Henry George remarks, and there will be no less land in the world, but tax machinery and there will be less machinery But taxing machinery will not diminish the iron in the universe, it will only prevent some of it from being put to a certain use So taxing land when it is put to a certain use, which is practically what the increment duty does, though it cannot diminish the quantity of land in the world can certainly prevent some of it from being put to that use, the use, in this case, of assisting in the production of the commodity called a house

WILLIAM WARREN CARLILE

OUTLINES OF ECONOMICS. By RICHARD T ELY, Ph D., LL.D.

Professor of Economics in the University of Wisconsin Revised and enlarged by the Author and others [700 pp. Crown 8vo \$1 25. Macmillan New York, 1909]

This is a revised edition of a useful book, which represents the latest views on the application of economic theory to present social conditions In the work of revision the author has been assisted by other professors, and the result is a concise but full treatise, to be used by students not only as a text-book, but also as a guide to wider reading

For this purpose each chapter closes with suggestive questions and a detailed bibliography, while an appendix indicates further methods of study. The subject is divided into four books, one of which (that

¹ We are not concerned with the manner or the degree in which, as Professor Gonner thinks, the tax on site values is passed on to the occupier. The important thing is that he differs from the Ricardian economists in thinking that it can be passed on at all.

on Public Finance) can be entirely separated from the rest, either for omission or for special emphasis. The work is also illustrated by tables of statistics drawn largely from American sources, and by that form of diagram which is now so often used in demonstrations of economic theory.

The arrangement of subjects leads to some repetition, but on the whole it is clear enough, and is grouped round familiar titles, such as Consumption, Production, Exchange, and Distribution. What the reader misses is a comprehensive view of these economic processes, in order to illustrate their mutual interdependence. Such an idea can be gleaned from the book, but is nowhere clearly presented. Yet in other respects the authors show great breadth of view. Thus, in pointing out the limitations of economics, they trace its relations with other sciences. They never lose sight of those outside influences which affect economic action, and they never ignore future possibilities of development. In party questions, such as Protection or Socialism, the arguments on both sides are fairly stated; and any policy is justified which can be "in accord with the laws of industrial evolution." The old terms are used, but not until they have been freshly examined and defined.

Especially interesting and enlightening are those passages which deal respectively with luxury, monopoly, and trade unions. Luxury is clearly defined in its social effects, and in its relation to a standard of comfort or utility taken in the widest sense of possible good. Monopolies are classified, and the expediency of their restriction under certain conditions is discussed. Trade unions are shown to be a necessary part of "industrial democracy", for in them, rather than in any form of co-operation, lies the solution of the labour problem. The author takes expediency as the only guide to State action, and opposes the *laissez-faire* theory, as well as any other doctrinaire policy.

Amidst so much that sheds new light on old vexed questions, there is, however, no satisfactory treatment of "profits," which are merely said to be the share of the *entrepreneur*. This omission is, indeed, due to the want of correlation which has already been mentioned.

It must be noticed that the book is not only a scientific treatise. In addition to a scientific outline of economic theory, it includes some technical explanation of modern business and politics. Nor is this all, for it also contains much matter of topical and temporary interest. These practical applications of economics to present conditions may make the book more useful to students, inasmuch as they give a living meaning to a science formerly remote from actual life. But as a

scientific work, the book loses hereby some of its permanent value, for there must always be a severance between the two functions

M W MIDDLETON

A HANDBOOK OF PRACTICAL ECONOMICS By J SCHRIJVERS,
C S S R Translated from the French by F M CAPES [xvi,
312 pp Crown 8vo 5s Sands London, 1910]

This book, says the translator's note, is a translation from the second edition of Father Schrijvers' *Manuel d'Economie Politique*, which appeared in Brussels in June, 1905. The *Manuel* was written in order "to popularize knowledge of the true principles of Political Economy, and, especially, to initiate young men called to spend their lives in social works into the science." It appears to have enjoyed some degree of success, for we are told that the book has been, or is being, translated into Dutch, Spanish, German, and Italian, to which we must now add English. In form it is a systematic treatise, in spirit a politico-religious tract. After a few pages devoted to "Scope and Method," the author plunges into a long chapter descriptive of the "three great schools" of political economy—the Liberal school, the Socialist school, and the Catholic school.

The Liberal school, based, so says our author, on the doctrine of Rousseau—that man and his tendencies are fundamentally good, and that the ideal society will therefore be attained by allowing each individual to follow out those tendencies—is fundamentally unsound in theory, and has, in practice, brought about the economic degradation of the working classes, and aroused envy and bitterness amongst the poor. Out of the ferment thus created has risen the Socialist school based upon the doctrine of Rousseau, that all men have equal rights, upon the doctrine of Louis Blanc, that every man has a right to live, and therefore to work, and upon the Marxian theory of value. This school is doomed to failure, mainly owing to its neglect of individual effort and its anti-religious tendencies. "Between these two extreme theories—Liberalism and Socialism—it was to be expected that a third school should arise, rejecting entirely neither State intervention nor individual liberty. The Catholics, adopting this intermediate doctrine, and infusing into it Catholic maxims and morality, have secured for it a dominant influence in the present economic world."

The three leading doctrines universally admitted by Catholic economists are (1) The great and preponderating influence of the Catholic Church. "All Catholics accept, with childlike readiness, the Church's guidance, and repudiate the errors of Socialists and Liberals." (2) State intervention in the economic field. (3) Liberty

of the individual and of associations. But even in the Catholic school, despite the Papal Encyclical "*Graves de communi*," differences have arisen. "The Conservatives," we are told, maintain that the existing order of things, founded on economic liberty, is good in itself, and that its evils arise from want of sufficient attention to religious precepts. The "Democrats," or, as they are called in France, the "Christian Socialists," say that the existing economic system, being based upon absolute liberty and individualism, is a product of the Revolution, and radically defective. The "three special measures whose immediate adoption the democratic school urgently demands, are the judicial reform of labour contracts in every shape, social labour legislation of a special kind, professional unions, even composed of workmen only, eventually becoming compulsory, and representing the moral and material interests of the autonomous class of labourers." On the subject of the Catholic school and its differences, Father Schrijvers is, of course, an expert, and this chapter probably forms the most valuable portion of his book. He does well to point out that the Catholic "Democrats" or Christian Socialists object to the existing economic system, because it is based on an exaggerated individualism, not as do the Socialists proper, because it is based on ownership. Nevertheless, it is interesting to notice that the idea of "professional unions representing the interests of the autonomous class of labourers" is the central conception of the most advanced form of modern Socialism, *ie* Syndicalism.

The remainder of Father Schrijvers' book resembles in its arrangement the usual systematic treatise on Economics, but the allotment of space between the different parts of the subject is distinctly unusual. The topics of "International Trade" (including a discussion of the relative merits of free trade and protection), and "Public Finance," occupy twelve and nine pages respectively, whilst a discussion on the subject of "Fair Wages," occupies fifteen pages. But perhaps this is only natural in a book which professes to appeal to social workers.

In connexion with this book as a whole I notice that the tone of *authority* is predominant. There is very little scientific reasoning and much reference to the views of different authors. What reasoning there is is largely of the scholastic type. To say nothing of his absolute acceptance of the dicta of the Roman Catholic Church the author constantly appeals to the laws of nature, to the principles of "commutative justice" or of "natural equity." Thus in the section already referred to devoted to "Fair Wages," after a brief statement of the apparently obvious fact that the wages of male adults should be sufficient to support the workers' families as well as the workers themselves,

twelve pages are set apart for a discussion of the question whether this obligation of the master to pay a "family wage" is based upon charity, upon "social justice," or upon "commutative justice" ! Again, a consideration of the "true nature of man" leads to the conclusion that—"Protective State intervention is lawful, when, and only in so far as, it is demanded for the general good" From this platitude Father Schrijvers further deduces (1) "the falseness of absolute free trade," and (2) "the inadmissibility of absolute protection" As might be expected the treatment of Belgian institutions is fairly detailed but is too much in the nature of a catalogue to be of much use in itself It might, however, be useful for purposes of reference

I cannot compliment the translator upon his use of technical terms He actually classes instruments "of credit" as follows (a) the bill of exchange, (b) the bill, or note, to bearer, (c) the bill "to order" (also called "bills at sight" or "promissory notes"), (d) the cheque !

D A BARKER

L'ARGENTINE AU XX^e SIÈCLE Par ALBERT B MARTINEZ,
Ancien Sous-Secrétaire d'Etat, et Maurice Lewandowski, Docteur
en Droit Avec une Préface par M Emile Levasseur, membre de
l'Institut, et une Introduction par Ch Pellegrini ancien Président
de la République Argentine [LXI, 431 pp Crown 8vo
5 francs Colln PARIS, 1909]

No country in the world has, in so short a time, made more rapid progress than the Argentine since 1895, and this progress has been greatly accelerated since 1904 The cultivated area has increased from 9,000,000 hectares in 1905 to 14,000,000 hectares in 1909, while the increase in the stock reared is equally striking The rapid growth of agriculture has attracted immigration and fostered the growth of numerous settlements, but the land already brought under the plough only represents about one-tenth of the total available At the present moment, the Argentine comes next to the United States as the largest exporter of cereals

On the other hand, there may be a serious danger in the excessively rapid development of the country The farmer is apparently very prone after a good harvest to invest all his gains in the purchase of more land, instead of freeing his holding from the burden of debt Most of the land, even in the urban districts, is thus burdened with mortgages The authors would wish to see a period of consolidation rather than a continuation of increasing progress, and also foresee a danger to development in the armed peace which imposes burdens on the young republics

of America. Perhaps one of the most remarkable indications of the progress of the Argentine has been the extension of its railway system, and a further expansion of its railways is the basis of a great Government plan, already sanctioned by Congress, for the colonization of the southern provinces.

No doubt, the future of the Argentine will depend mainly on the creation of an Argentine nation. Her citizens have been drawn from most of the countries of Europe, those of Latin nationalities predominating. Her constitution is framed in imitation of that of the United States, and her population seems to have a great belief in the future of the country, but the various elements which go to make up that population still lack the faculty of cohesion which has made the American nation.

Part II deals very fully with agriculture and cattle breeding, and Part III is devoted to the foreign commerce and home industries of the Republic, while the fourth and concluding part deals with the present position and future prospects of the national finances. The public debt of the country, though large, is not excessive in view of her productive powers.

The preface by M. Levasseur contains an historical account of the Argentine colonies of Spain from their discovery in 1508 by Juan Diaz de Solis to the proclamation of independence at Buenos Ayres in 1810 and of the chequered career of the Argentine State or States from that date to the present day. It is the period of economic development since the cessation of the Civil War in 1860 which forms the subject of the present work.

C. KEMSHEAD

WOMEN AND THE TRADES By ELIZABETH BUTLER [440 pp
8vo. \$1.50 net Charities Publication Committee New York,
1909]

This volume is one of a series of "Pittsburgh Surveys" organized by the editors of *Charities and the Commons*, published by the New York Charities Publication Committee, and financed by the trustees of a fund left for such purposes by the late Mr. Russell Sage. In it Miss Butler, a former secretary of the Consumers' League of New Jersey, puts forward the result of her investigations with regard to those women-employing industries of Pittsburgh and Alleghany, in which the units are organized on factory lines.

Twenty chapters are devoted to a more or less detailed description of such industries, attention being paid to the percentage of women

employed, the degree of competition between the sexes, the substitution of unskilled machine operators and tenders for skilled craftsmen, the rates of wages, hours of labour, sanitary conditions, and to the race or races from which the ranks of the *employés* in any industry tend to be recruited. Those who deplore the "alien invasion" of England might do well to read the account of the foreign settlements in Pittsburgh as described by Miss Butler in her first chapter. Italians, Germans, Jews, and Slavs, to say nothing of Irish, all appear to have their particular quarter of the town, and to favour some particular industry or type of work.

The last four chapters are devoted to a summary of industrial conditions. Wages, hours, health, and economic foothold, are there treated in a more general manner. With regard to wages, Miss Butler finds "that where skill and occupation are comparable, alike in skilled trade and in unskilled occupation, the man's wage is double the woman's." In some cases the man gets a higher wage than the woman for similar work, because being stronger or more skilled he may be regarded as kept in reserve for work which might require to be done and which women could not do. In other cases, the man gets a higher wage simply because he would refuse a lower, and in such cases men are 'gradually being replaced by women. In this regard Miss Butler endorses the views of Mr Sidney Webb—viz that men and women do not really compete; that even when they tend similar machines the cleaning and repairing of the machines must be done by men. "It seems," says Miss Butler, "that women and men tend to separate into non-competing groups, the wages of women being approximately half those of men. They rarely work together on the same wage level or at identical work. Such work as women can do they largely have a monopoly of, because they work for half pay." Their rate of pay is so low, partly because of the large numbers of women competing for a limited number of unskilled jobs, partly because it is supplemented either from the earnings of male relatives or by the wages of prostitution.

With regard to the subjects of health and hours of labour Miss Butler's conclusions are of a somewhat negative type. She is content to point out that legislation which imposes the same maximum hours for all industries cannot be satisfactory, owing to the great differences in the amount of nervous energy required for different kinds of work.

This book presents a model of calm and dispassionate reasoning which might with advantage be imitated by many writers on similar subjects. It is illustrated with a number of irrelevant photographs.

D A BARKER.

L'ÉTAT FINANCIER Par LOUIS GAUTIER, Docteur en Droit.
112 pp 12mo 2 fr 50 c Giard & Brière Paris, 1910]

It is not difficult in the present day to pick holes in French, or in fact in any, public finance. Rather—*difficile satiram non scribere*. However, under Dr Gautier's point of view, French finance, shifty as it is in a superlative degree, lends itself particularly to criticism, and of course it is from it that Frenchmen most suffer. What a conglomeration of hand-to-mouth expedients French finance has become! A late French Minister of Finance, M. Caillaux, has very clearly shown in an admirable book on French taxation, not very long since reviewed in these pages.

However, Dr Gautier's quarrel is more particularly with the "additional credits" asked to fill up the gaps which provision, more careful of appearances than of facts, and not troubling to look into ulterior designs—which are, in many cases, patent enough—leaves in ordinary budgets, and with the methods adopted to obtain the requisite money for such. The State has taken to playing the banker. And Dr Gautier shows with what haughty contempt of the rules accepted by ordinary bankers, who have to repay what they borrow, it acts in this, to itself quite unsuited, capacity. To be able to be lavish in its largess to classes to be propitiated on political grounds, it finds itself driven into recklessness in respect of the obligations undertaken, the meeting of which it has it in its power either indefinitely to postpone by negotiation with the lending corporations, such as the Bank of France, standing periodically in need of a renewal of its charter, or else to provide for by fresh taxation, which cannot be refunded when there is an actual debt to be paid. *Delirant reges, plectuntur Achivi*. But are we ourselves in a much better position?

HENRY W WOLFF

GUIDE SOCIAL, 1910 7^e Année [620 pp 8vo 3 francs Action
Populaire Reims, 1910]

Our neighbours across the Channel are very systematic, and truly insatiable in their collection of information. This rather portly volume is a dictionary of social movements of all kinds in practically the whole world. The major portion, of course—480 pages out of 620—is assigned to France, and deals, as the annual character of the publication will suggest, in the main with the occurrences of the last year only. Within such limits, however, it is extremely useful, for it tells a great deal. It shows the changes in the population, and deals with housing, hygienics, education, domestic budgets, feminism, trade unionism, employers' unions, agricultural syndicates, labour conciliation, socialism, co-operation, working men's insurance, and so forth. *Humanum nihil a se*

alienum putat As the preface owns, the publication is intended not merely as a chronicle of what is being done, but by what it tells also, as a *souffleur d'initiatives*, a "prompter of action" As a convenient conspectus of facts, it will be welcome to people interested in the social movement The arrangement of matter is good

HENRY W WOLFF

SHORT NOTICE

CHRISTIAN CITIZENSHIP A series of Addresses on Christianity and Social Problems delivered in St Paul's Cathedral, Melbourne [88 pp Crown 8vo 6d Diocesan Book Society Melbourne, 1909.]

This small book is the first of a series issued by the Social Questions Committee in connexion with the Melbourne Diocesan Synod The addresses vary considerably in merit, but the main interest of the book is twofold First it shows that in all Christian countries the problem is being considered how the Christian religion is to be manifested in all departments of life, and the teaching of Christ applied to social problems There is a growing conviction that the Church must stand or fall according as she shows herself capable of leading the social reformers, and of removing the reproach of being necessarily on the side of the established order of things Secondly, it suggests that, though the movement is universal, the social problems are not identical in all countries If we have ever thought that our English abuses are the result of our own age, and might be avoided by starting afresh in a new country with no prejudices, no accumulated traditions to hamper us, we find an answer in the problems which have to be faced by our kinsmen on the other side of the world If ours are the difficulties which grow with years of tolerated evils, theirs are the difficulties which assail a young people without the restrictions of tradition The addresses deal with the various duties of a Christian, as patriot, employer, consumer, shareholder, or employee, and are a most welcome and encouraging sign of the social activities of the Church in Australia

EDITORIAL NOTES.

THE recent vote of the Boilermakers' Trade Union has some very unwelcome and distressing features. In the first place, it lays bare one of the standing weaknesses of the democratic method of managing men or affairs, the difficulty, that is, of securing from the rank and file an apt and intelligent interest in what is going on. Thus, in spite of a strongly-worded appeal from their Executive Council, less than one-third of the 50,000 men in the Boilermakers' Society took the pains to vote at all on the questions submitted for their decision. It will be remembered that, only eighteen months ago, in March, 1909, a mutual Agreement was arranged between the Shipbuilding Employers' Federation and nineteen of the principal Trade Unions engaged in the shipyards. But, since then, a number of small stoppages and sectional strikes have occurred in defiance of the Agreement, culminating in a general lock-out against the Boilermakers' Union. In view of this crisis, the men were asked to endorse the proposal of their Executive, that assurances should be given to the employers that the Shipbuilding National Agreement would be faithfully kept, pending negotiations about any disputed points that had arisen. The result was that only 4890 voted in support of the Executive's proposal, while 10,321 voted against it, and some 36,000 abstained from voting altogether. For the moment, then, the popular opinion of the most important shipyard Trade Union, on a matter vitally affecting the welfare of the whole industry, is voiced by one-fifth of its membership. On the other hand, some little hope may perhaps be found in the fact that a majority of the 15,000 who voted were willing to allow the Executive to call a representative meeting to discuss the situation, though 6301 voted against even this proposal.

In the second place, unless a more reasonable spirit prevails and this vote can be reversed, it would seem that a serious blow has been aimed at the principle of collective bargaining. The right of the workmen to deal with their employers indirectly through any official representatives whom they may see fit to appoint has gradually won its way to general recognition, in spite of some vehement opposition at first from the old individualist type of capitalist, who would not brook what he called outside interference between himself and his workpeople. The truth is, of course, that the method of collective bargaining is no less convenient and advantageous for the masters than for the men. And the Shipyard National Agreement of last year was hailed as a most encouraging witness to a better understanding between Capital and Labour, and as a distinct advance towards a happier era of industrial peace. But collective bargaining implies power on the part of the contracting parties to enforce discipline in their own ranks, and to ensure loyal compliance with the terms of any mutual compact that may have been agreed to by their official representatives. And in this respect the Boilermakers' Union has been at fault. There is no controversy about the main fact that time and again the men have broken the Agreement. In a circular addressed to the various branches of the Society, the general secretary states the position quite frankly. "If our members want to strike, the Executive Council cannot prevent them from striking, but in all cases we must exhaust the constitutional procedure laid down in our own rules, and there is not a single case of a dispute among the many we have had this year where the procedure of the rules has been carried out. This lock-out is directly attributable to small bodies of our own members taking the law into their own hands and acting contrary to the advice of all the officials in the Society, both local and national." At bottom, then, the present crisis is primarily a matter of good faith. Trade Unionism cannot hope to achieve its designs without first extirpating individualistic ideas and actions from its ranks and developing a more effective corporate conscience.

For the last few years the affairs of our two oldest Universities, Oxford and Cambridge, have been almost continuously before the

public. Oxford in particular has been heard, through the newspapers, loud in her own condemnation, and even, in the House of Lords, calling down a Royal Commission on her own head. But the response to Lord Curzon's Endowment Fund showed that the public still had some confidence in the future of the University; while his Majesty's advisers seemed to think that a Commission, sent now, would come too soon. Mr. Asquith was willing to "wait and see." Now, as the fruit of all this discussion and dispute, we have before us a publication of the Hebdomadal Council—the Cabinet of the University—embodying a comprehensive scheme of Reform, which, it is understood, will be brought piece by piece before the University for acceptance, rejection, or amendment in the course of the next few terms. The lines upon which legislation would be proposed were, in Oxford at any rate, fairly well known: for not only has Council throughout its deliberations continually consulted the Colleges upon all matters which affected College life and administration, but, before Council set to work, the general lines which its inquiries would follow had been laid down with the most admirable lucidity by the Chancellor himself in his Memorandum on *Principles and Methods of University Reform*. On the questions raised in that Memorandum the volume just published is formally a Report. These questions may be roughly grouped under three heads—the Constitution of the University, its Courses of Study, and the Endowment of Students.

The Constitutional question in the narrow sense of the word involves a much-needed adjustment of the functions of the three existing bodies, Council, Congregation, and Convocation, and any alterations in the composition of those bodies found necessary for increased efficiency. In the wider sense it includes the reorganization of University Finance and the reconstitution of the Board of Faculties. Proposals are here laid before us for a remodelling of the constitution in both of these two senses; and, while it would be tedious to expound in any detail the changes proposed, perhaps a word may be said as to the principles involved. It is sometimes said, and not only outside Oxford, that all the absurdities and extravagances of the University spring from a single root, the

independence of the Colleges; and that the real constitutional change required is the concentration of power in a central authority. To this it is of course replied that the peculiar merits of Oxford as a University also spring from the College system; while the University, so far as it exists in a form separable from the Colleges, is very much more ineffective from a business point of view than the Colleges acting individually. The proposals here advanced admit in some degree, by implication, the justice of both these contentions. On the one hand, by the reorganization of University finance and of the bodies which control it, they attempt to improve the University as a business machine, and on the other hand, without depriving the Colleges of any important privilege which they at present enjoy, they attempt to provide increased opportunities for co-operation between Colleges by means of the formulation of a general University policy. They imply, in short, the view that the way to unity of purpose is to be found not in enforcing uniformity but in increasing the opportunities for corporate action. The University is regarded less as an authority exercising sway over subject Colleges than as the central office of a federation with the function of distributing as required, criticism, advice, and information.

Of the proposals which affect the curriculum of the University the most important is the proposal to abolish compulsory Greek and institute a University Entrance Examination. The abolition of compulsory Greek was advocated by the Chancellor on the ground that the requirement of a knowledge of Greek "closes the doors of Oxford to wide and important classes who desire admission, and whom it is in the interest neither of the University nor of the nation to exclude"; and that the standard of Greek which can practicably be enforced is not sufficiently high to be worth preserving if any advantage can be gained by making Greek optional. The second part of the proposal will sound strange to many, who imagine not unnaturally that Responsions serves at present as an Entrance Examination. They may be surprised to learn that no qualification is exacted for matriculation—*i.e.* for admission to the University—except membership of a College; so that whatever standard of attainment is exacted is imposed by

the Colleges. Thus the proposal to give the University a right to reject candidates for matriculation after examination is to some extent a limitation of the hitherto unfettered freedom of the Colleges. In recent practice, however, most Colleges have made the passing of Responsions a condition of residence; and therefore, in replacing Responsions by an examination which is a condition of matriculation, the University will only be converting a custom generally observed into a statutory obligation. Another small, but useful, proposal which may be noticed in this connexion is the proposal to institute a special Diploma Course in Politics and Economics, for the benefit of those who intend after leaving the University to follow a business career

The question of the distribution of Scholarships, Fellowships, and funds applicable to the assistance of students, raises complicated problems as to examination and conditions of tenure, which need not here be discussed. But expression has often been given to a feeling that the funds at present distributed under these heads have not always been distributed to the best advantage—either with a view to the advancement of learning or to the relief of poverty. Statistics of poverty are notoriously difficult to obtain, and it is impossible to discover with certainty the proportion of scholarships or fellowships which go to students not really in need of them. Inquiry, however, tends to show that the proportion has been exaggerated. On both counts it is more the College statutes than the College executives which are to blame, and the remedy recommended in the Report is rather an increased freedom in the distribution of endowments than the imposition of further Statutory requirements. If the Colleges invite scholars voluntarily to resign the whole or part of their emoluments, and have a free hand in the distribution of the surplus fund thus created, it is thought that more effective and more agreeable arrangements will be made for poor students than by the building of special hostels or of a Working-men's College.

The proposals contained in the Report, the more important of which we have outlined, are, it will be seen, anything but revolutionary, and some, no doubt, will be disposed to complain that

it is a poor outcome of so much reflection and discussion. If this is all that is proposed, they will say, that which is finally carried will be infinitesimal. They should remember, however, that what is now proposed is what, in the view of Council, has a fair chance of passing into law in the present state of University opinion; and that the aim which Council has before it is not so much the salvation of the University by a series of comprehensive measures as the putting of the University in the way of salvation. Therefore the proposals to which most importance should be attached (with the exception of the abolition of compulsory Greek, which, for good or ill, must be of cardinal importance to English education) are those for the remodelling of the machinery of University administration. The changes proposed may seem small to an outsider, but, in fact; if they passed into law tomorrow, it would be several years before we should know for certain whether they had been small or great. But, whatever may be the issue, Oxford University and English education generally owe a very great debt of gratitude to Lord Curzon for the energy and devotion which he has shown, and to Council for the enthusiasm with which they have supported him, in the conduct of long and delicate negotiations and the formulation of what is at the least a consistent and carefully considered scheme of reform.

The Economic Section of the British Association, which met at Sheffield at the beginning of September, occasioned, as usual, a pleasant reunion of professional economists. The record of 1908, when fifteen teachers of economic subjects attended, was not indeed surpassed, but it was just equalled. None of these were over fifty years of age, and the large youthful contingent among them regretted the absence of the seniors, whose books are more familiar to them than their faces. Apart from the President's address, referred to below, perhaps the most noticeable of the contributions to the proceedings were those of Prof Macgregor and Mr J. St G Heath. The former made a vigorous attack on the uncritical habit of basing statements about the extent of poverty in this country upon a wholly imaginary agreement in the results obtained by Sir Charles Booth and Mr. Rowntree.

Mr. Heath investigated the "blind-alleyism" of certain occupations by the aid of survivorship tables constructed from the Census age-tables: his conclusions were doubted, but the method seems likely to establish a claim to fruitfulness

The paper read by Sir H. Llewellyn Smith, as President of the Section, was a masterly and judicious statement of the case for a national system of Insurance against Unemployment; and, in view of the avowed intentions of the Government, it may be taken to indicate the main lines on which any fresh legislation on the subject that may be submitted to Parliament will proceed. To ensure success, we are told, the scheme must be organized on a national scale, though limited in its operation at first to particular groups of trade. It should also be both compulsory and contributory, and a State subvention and guarantee would be required to provide the necessary stability and security. Above all, it should aim at "encouraging the regular employer and workman," and the rules relating to benefit should be so devised as "to discriminate effectively against unemployment which is mainly due to personal defects." This is all sound advice. And, indeed, some such scheme is a necessary complement to the system of Labour Exchanges already established. But a further provision is absolutely essential, if we are to deal thoroughly with the problem of unemployment. Something must be done for the more or less inefficient or unemployable men who will be sifted out of the Labour Exchanges, and expressly barred from participating in the advantages of any State-supported insurance scheme. And, for this purpose, there seems to be only one adequate and practicable plan. A system of Labour Colonies with disciplinary powers will have to be set up, to take charge of those who have shown themselves unfit to maintain their independence.

THE STATE AS AN AGENT FOR SECURING DISTRIBUTIVE JUSTICE

THE object of this paper is to trace the steps by which Parliament has been used as an instrument for securing "distributive justice" for the great mass of the working population of the country. This has been done partly through legislation and partly through finance. The legislation of this character includes—(1) the series of Acts, by which the cultivator of the soil in the three kingdoms has obtained a reasonable tenure of his holding and security for the investment of his capital, and (2) the groups of Acts, enabling workmen to achieve industrial freedom, or actually regulating their contracts of service in such a way as to guarantee them equitable conditions of employment. Under the head of finance is understood the process by which the traditional objects of national expenditure, such as the defence of the country and the maintenance of law and order, have been supplemented by new national services such as the education of the young and the care of the aged poor, the additional revenue required therefor being raised not by additional indirect taxation, but by new forms of direct taxation, thus ensuring the application of great masses of "unearned increment" to the general purposes of the life of the community.

LAND LAW REFORM

In dealing with the legislative part of this policy, let us take first the case of the cultivator of the soil (*i.e.* the tenant of an agricultural holding), as his interests have been dealt with by a fairly homogeneous group of statutes, the Agricultural Holdings Acts. This kind of legislation began in Ireland, as the need of the Irish tenant farmer was greater, the custom of rack-renting being more common there than in the greater island. The higher

possibility of such exaction arose from the difference of the circumstances under which the soil is cultivated in the greater part of Great Britain and Ireland. In Great Britain (generally) the landowner—not less than the farmer—gives hostages to fortune in the shape of capital sunk in permanent improvements, and like a manufacturing entrepreneur who has spent money in laying down costly plant cannot afford to exact his own terms. In Ireland, however, the tenant—except in the few so-called “English estates”—made all the improvements, and the landlord gave nothing but the “inherent capabilities of the soil,” so that the former was at the mercy of the latter, and the legislation which was obtained by the Irish farmers was really a triumph of the power of collective bargaining. In effect they formed themselves into a trade union, and the parallelism of their procedure with that of British trade unionists, resting as it did on the boycotting of “blacklegs,” “strikes” against rent, was realized by the Irish members of Parliament, who watched with great interest the passage through Parliament of the Trades Disputes Act, 1906. The two Irish Acts were the Landlord and Tenant Act, 1870, and the Irish Land Act, 1881 (which Lord Moiley regards as the greatest of Mr. Gladstone’s legislative achievements). The former Act clothed with statutory authority the recognized customs prevalent in Ulster, known as the Ulster Tenant Right, and elsewhere in Ireland gave tenant farmers compensation for improvements at the determination of their tenancies and compensation for disturbance in the event of arbitrary eviction.

The Act of 1881 went further than this, briefly it conferred upon Irish tenant farmers the three F’s, viz “Free Sale, Fair Rents, Fixity of Tenure.” In other words, a tenant of an agricultural holding was allowed to sell his interest in the holding, to apply to the Land Commission set up by the Act to fix a fair rent of his holding, which rent was to last for fifteen years, and to enjoy immunity from eviction as long as he complied with certain statutory conditions, such as punctual payment of rent, treating the holding in such a way as to avoid deterioration and dilapidation, refraining from subletting and subdividing the holding. Ultimately the state of things set up by the passing of this Act has proved temporary, and we are now witnessing the spectacle of the Irish

landlords realizing their interest in their estates, so that at length the result of Mr Gladstone's legislation will be to put Ireland in much the same position as those countries where land tenure is subject to provisions comparable to those of the Code Napoléon

Two years after this Act, an Act was passed for Great Britain mildly affirming the principles underlying the Irish legislation of 1870 and 1881. It is true that a previous Act had been passed in 1875, but its application was optional, and only in 1883 was the Agricultural Holdings Act made operative throughout Great Britain. Its chief object was to ensure for an agricultural tenant at the end of his tenancy compensation for unexhausted improvements measured by their value to the incoming tenant. The improvements were divided into three classes, viz. those for which the landlord's permission (1) was required, (2) was not required, (3) for which notice must be given to him. Arrangements were made for appointing referees to adjudge the amount of compensation payable, and the landlord, who was to pay it, was allowed to charge the holding therewith. The tenant's property in certain kinds of fixtures was also recognized and his right to remove them declared. The landlord's right to distrain upon the tenant's property for overdue rent was also defined and restricted.

This Act did not meet all the wishes of the land law reform party among the farmers, who were pressed hard by the high rents which they had agreed to pay in the sixties and seventies; and it was extended by subsequent Acts in 1900 and 1906. The 1900 Act made unrecoverable the so-called "penal rents," which some landlords took power in their leases or agreements to recover from their tenants, while the 1906 Act broke new ground in several directions. It gave the tenant a right to compensation (1) for damage by game, and (2) for unreasonable disturbance — *i. e.* "notice to quit" without good and sufficient cause, and for reasons inconsistent with good estate management. This last provision recognized the "tenant right" or "goodwill" of the British farmer nearly a generation later than the same concession had been made to the Irish farmer

The 1906 Act also enacted that "a tenant of a holding shall have full right to practise any system of cropping of the arable land on the holding and to dispose of the produce of the holding without

incurring any penalty, forfeiture, or liability," subject to the safeguards against any injurious treatment of the holding by him.

Special Acts were passed in 1895 and 1897 applying the principle of compensation for improvements to market gardens, where the tenant sinks his capital in improvements which last for a number of years, and in 1906 the effect of these Acts was made retrospective.

It may also be mentioned that in 1886—five years after the passing of the Irish Land Act—a similar Act was passed to save the crofters of the seven crofting counties in Scotland—Argyll, Inverness, Ross and Cromarty, Sutherland, Caithness, Orkney, and Shetland—from being rack-rented and evicted. The crofters were given "fair rents" and fixity of tenure, a Crofter Commission was set up to fix rents, assign land from sheep farms to increase the common grazings in congested townships, and award compensation upon the determination of a tenancy. Their sanction had also to be obtained by a landlord wishing to resume possession of land in the occupation of crofters.

The case for the Agricultural Holdings Acts has rarely been put more concisely than by Mr R. E. Prothero in his *Pioneers and Progress of English Farming*. A few sentences may be quoted.

"Both (i.e. owner and occupier) profit by getting the utmost from the land, and the real question for both parties to consider is, How can even-handed justice best be meted out to their respective interests?"

"Landlords dislike to surrender control over their estates, and farmers dislike to risk capital on insecure tenures. But unless landlords find the whole capital, farmers have justice on their side.

"English farmers have no claim to fixity of tenure, but they may fairly ask, and are entitled to obtain, absolute security for their outlay."

"With high farming, tenant right, in some form or other, became an absolute necessity, but the legislature proved slow to recognize the change in agricultural conditions. Although the need of maintaining the fertility of the soil increased every year, modern tenants possessed no more security for outlay than mediæval farmers who never put a sixpence into the soil."

It may be asked why, if the argument in the last paragraph is sound, the demand for the recognition of tenant right should have been made more forcibly and successfully in Ireland than in

Great Britain, since it must be generally allowed that on the whole British farmers have not laid out less capital than Irish farmers. This is probably true, but the ratio of farmers' to landlords' capital has been much more in favour of the Irish than of the British farmer. At the same time Ulster, where the Irish tenant right was earliest recognized, is the most British part of Ireland.

Let us now turn to industrial legislation.

THE TRUCK ACTS.

The Truck Acts are an interesting class of the legislation which this paper has in view. So far from being a product of the modern movement for securing justice for the wage earner, the series of legislation usually understood by this name begins with an Act of 1 and 2 William IV (chapter 37), followed by fairly recent Acts passed in 1887 and 1896, and forms only a late chapter in the history of "legislative efforts extending over many centuries, aimed at the practice of paying wages in goods"

Legislation slumbered during the *laissez-faire* period

Some of the earlier Acts only included provisions securing for workmen the payment of their wages in "lawful money" as a set-off to other provisions exacting from them the due performance of their duties. The Act of 1831 repealed the earlier statutes and dealt exclusively with the question of truck, as indicated by the preamble "whereas it is necessary to prohibit the payment, in certain trades, of wages in goods or otherwise than in the current coin of the realm" This Act applied to a large number of scheduled trades, but no very long time elapsed before it was clear that many groups of wage earners were badly in need of the protection of the Act, which was not available for them. Not till 1887, however, was such an extension made, and the defect of the earlier Act, *viz.* being too specific in its reference, was avoided by the application being made to any "person who, being a labourer, servant in husbandry, journeyman, artificer, handicraftsman, miner, or otherwise engaged in manual labour"

The Truck Act, 1906, dealt not with the practice of paying wages in goods but with "deductions from wages" in the name of fines and other charges. Two other statutes in the Hosiery Manufacture

(Wages) Act, 1874, and the Shop Clubs Act, 1902, also touch this branch of the subject.

The Royal Commission on Truck, which reported in 1908, dealt chiefly with this side of the question and also with the "living-in" system for shop assistants, which may be regarded as payment partly in kind. The Chairman's Report suggested regulation rather than abolition of the latter and considerable restriction in the matter of deductions and fines.

THE MERCHANT SHIPPING ACTS.

As everybody should know, the Merchant Shipping Act, 1894, which codified previous legislation on the subject, is the longest Act on the statute book, and runs to nearly 800 sections besides several schedules. It does a great deal more than regulate the contract of service which a sailor makes with a shipowner, but it does that in no little detail. Further, those parts of the Act which contain provisions for ensuring the safety of the "fraughting souls" within a vessel benefit passengers and crew alike; hence for our purpose it will be enough to notice the provisions more specially directed to ensure the safety of vessels as against dangers arising from the quantity and quality of their cargo.

Part II. of the Act is entitled "Masters and Seamen," and contains what may be called the sailor's "charter." It regulates apprenticeships and licenses persons who engage seamen, requires a definite agreement to be entered into with the members of a crew, regulates the rating and discharge of seamen, the payment of their wages, declares their rights in respect of their wages, makes provision for recovering them and for disposing of the effects of dead seamen, provides for the case of destitute seamen, and lays down rules for the provisions, health, and accommodation of seamen, for their protection from imposition, and while subjecting them to suitable discipline, gives them a right to make complaints and requires an official log-book to be kept recording all such occurrences during the voyage, as may be called in question.

The scope of this part of the Act was extended by Parts III, IV., and V of the amending Act of 1906, which presented a statutory scale of provisions for crews of vessels and contained

detailed rules for the relief and repatriation of distressed seamen, and seamen left behind abroad, and amended the law in several details regarding seamen's wages, rating and accommodation.

Part V. of the Act of 1894 is entitled "Safety," and contains most of the law under that head, but Part III. ("Passenger and Emigrant Ships") has a few provisions of this character. Part V. deals with Prevention of Collisions, Life Saving Appliances, General Equipment, Signals of Distress, Draught of Water and Load Line, Dangerous Goods, Carnage of Grain, and Unseaworthy Ships. It is the provisions regarding the load line and unseaworthy ships which have attracted most attention in the past, the "load line" provisions were applied by the amending Act of 1906 to foreign ships in British ports, as were certain other "safety" provisions. This Act also made penal, subject to certain exceptions, the carrying of any heavy or light wood goods as deck cargo during the winter months to a port in the United Kingdom from a port out of the United Kingdom.

The payment of compensation to seamen for accidents met with in their calling was dealt with not under the Merchant Shipping Act, 1906, but by a special section in the Workmen's Compensation Act of that year.

The Merchant Shipping Acts, so far as they relate to the conditions of employment of workmen, cover ground occupied by more than one set of Acts in the case of workmen working on land. Thus they correspond at once to the Truck Acts, the Factory Acts, the Housing Acts, while they also make provision for the peculiar disability which a seaman suffers from in enforcing his civil rights, by being necessarily subject to a quasi-military discipline when he is afloat, and—during the voyage—on foreign soil, when he is ashore.

WORKMEN'S COMPENSATION.

The Acts dealing with this subject are the Employers' Liability Act, 1880, and the Workmen's Compensation Acts, 1897, 1900, and 1906, the last of which incorporated the two former. The two sets of Acts are on a different footing. the Employers' Liability Act merely gave a workman meeting with an accident in the course of his employment, the same right of action, which any

other person would have, against his employer, and left the workman the ordinary legal means of recovery. An attempt was made to amend the Act in 1895 by the Government of the day, but their Bill failed to become law.

In 1897 the Workmen's Compensation Act was passed, proceeding upon a different footing. The earlier Act had broken down to a certain extent the defence, which an employer could usually make against an action for damages brought by an injured workman, based on the doctrine of "common employment," viz that a workman working in company with fellow servants—i.e. anybody employed in a factory or workshop—takes certain risks. The new Act, instead of professing to amend in any way any "common law" principle, conferred upon workmen a new statutory right of compensation for accidents met with in the course of their employment, contained a schedule setting forth in detail the scale of compensation, and simplified the machinery for the recovery of compensation. The object of the Act was to make it reasonably clear to the workman what his rights were, and to make it easy for him to get his compensation. The classes of workmen coming within the scope of the system were added to by the Acts of 1900 and 1906, and the latter Act made "industrial disease" as well as accidents a ground for claiming compensation.

This extension cast on the employer a liability in some respects more analogous to the obligation laid on him by the Factory and Workshop Acts, Merchant Shipping Acts, and Mines Regulation Acts to guard against dangers, to which workmen would be exposed by reason of machinery or the physical environment of the particular industry, than to the general liability under the Workmen's Compensation Acts to compensate a workman for injury received by an accident, and the enactment might lead him to take measures to minimise the risks of industrial disease instead of "insuring" [technically] against the occurrence of it.

The ultimate ground of compensation to a workman under these Acts must be determined by considerations affecting "economics" as well as jurisprudence. The analogy of the Agricultural Holdings Acts giving "compensation" to the tenant farmer may help us. In such case the person, whose right to compensation is declared, is risking his capital in a joint enterprise

The farmer gets guarantees that his capital will not be "confiscated," if and when he retires from the joint enterprise, which he and his landlord may be said to carry on. Similarly the workman risks his capital, *i.e.* his "labour power" in a joint enterprise, the particular industry, in which by another metaphor he "sells" his labour. It is easier for him than for the farmer to withdraw his capital at any time; but the constant risk which he runs, while it is being used, is probably greater than the farmer's risk. The owner of a seagoing ship is the "capitalist" in the ordinary sense, whose capital is exposed to risks most comparable to those which threaten the workman's capital, and in no trade is insurance more general and systematic. Similarly a system of insurance has grown up to meet the demands of the Workmen's Compensation Act; but, as here again, a fresh set of private undertakers has entered the field, well organized and ready to "fight" cases, the hope that the new law would provide workmen with swift and certain means of compensation has not been fulfilled. At the same time another set of "agents" have found a hunting ground in taking up "spec" cases. To remedy these defects a system of state insurance seems to be the obvious device.

THE COAL MINES REGULATION ACTS.

These Acts seem partly to fall within the scope of this paper. An Act was passed in 1887 consolidating earlier legislation, and it still remains the principal Act relating to this subject. The First Part of the Act deals with—

- (1) The employment of boys, girls, and women [practically prohibiting such employment below ground]
- (2) Payment of wages, including the appointment of "check weighers"—miners being largely paid according to the weight of mineral lifted by them
- (3) Single shafts—which, except under special conditions, are declared illegal.
- (4) Division of mine into parts
- (5) Appointment of managers, (6) return of information about the mines; (7) appointment of inspectors; (8) provisions for arbitration between inspectors and mine owners.

The Second Part of the Act contains a detailed code of rules for ensuring the safety of persons in the mine. Two or three minor amending Acts have been passed, but the only important recent statute is the Coal Mines Regulation Act, 1908

The Factory Acts are not referred to in this sketch, mainly for the reason that so far as they prescribe conditions of employment they do this almost exclusively for women and young people. The provisions for ensuring the safety of workpeople form generally the only part of the Factory Acts which affect the labour of adult males. Except in those sections relating to the payment of wages, the Coal Mines Regulation Act, 1887, is drawn mainly on the lines of the Factory Acts. Legislation designed chiefly to protect women and children and to ensure the safety of workpeople cannot be said, I think, to aim primarily at ensuring distributive justice—though the two things are certainly connected. Moreover, legislation of this class has more often been passed because it appealed to the conscience of the community than because the persons chiefly affected were in a position to demand it—for women and children are without political rights

The latest Coal Mines Regulations Act, commonly known as the "Miners' Eight Hours" Act, is on a different footing, and there is something naive about the criticism made on it that for the first time Parliament was regulating the labour of adult males, for this criticism implied that, like the Factory Acts, it was a piece of "grandmotherly legislation," whereas it was nothing of the sort, but became law because the miners are an unusually well-organized branch of the working community, and were able to exact it. It is manifestly connected with "distributive justice," since the mine owners tried to make the miners pay for the concession made by the Act by surrendering other benefits, which they had won earlier. That the miners generally were able to hold their own in the troubled time, during which the Act was coming into force, is a further testimony to their organization, and a piece of evidence that it is not universally true of social reforms, that if you hammer out a sheet of metal at one point the unevenness reappears elsewhere

TRADE UNION AND TRADE DISPUTES ACTS.

It may be convenient to divide trade union legislation into two groups :—(1) statutes or portions thereof affecting the status of trade unions ; (2) statutes relating to the conduct of trade disputes

The former group includes the Trade Union Acts, 1871 and 1876, and the Trade Disputes Act, 1906 (part), the latter the Conspiracy and Protection of Property Act, 1875, and the Trade Disputes Act, 1906 (part).

The history of the steps [up to 1906] by which the present legal status of trade unions has been determined, and their liability for acts committed by them or in their name in trade disputes ascertained, has been clearly narrated by the Royal Commission, which reported in 1906, and the following statements are largely taken therefrom

Before 1871 trade unions had no recognized position, being, indeed, unlawful associations, since their existence was for “ the restraint of industry.” Thus they had no protection for their funds against dishonest servants, as was ascertained by a case tried in 1867. An agitation arose, which led to the passing of a short Act in 1869, superseded in turn by the Trade Union Act, 1871

This Act provided a “ qualified legalization of trade unions,” setting forth that their purposes should not be deemed to be unlawful “ by reason merely that they are in restraint of trade,” so as either (1) to render any member of a union liable to criminal prosecution for conspiracy or otherwise, or (2) to render void or voidable any agreement or trust. This part of the Act was, however, qualified by provisions, which had the effect of not enabling a court directly to enforce agreements between a trade union and its members, or between one trade union and another. The rest of the Act was mainly taken up with provisions for the registration of trade unions (and setting up the proper machinery therefor), for authorizing unions to buy or lease buildings, for directing that their property should be vested in trustees, in whose name the union was to sue or be sued.

The Act of 1876 amended the principal Act in a variety of

details, but introduced no radical innovation. The Trade Disputes Act, 1906, may be said to have affected the status of trade unions by declaring that a court shall not entertain an action for tort against a trade union.

Let us now turn to the other set of Acts, which affect trade unions, so far as they are particularly effective organizations for enabling workmen to take part in trade disputes. We begin with the Act of 1871, but, in fact, it was one of a series, which began with the Act 5 Geo. 4 c. 95, passed in the year which saw the repeal of the Combination Laws, in order that some restriction might be placed on the new liberty conceded to the workmen. The Act of 1871 dealt with "strike offences," such as uttering threats, committing molestation and causing obstruction with a view to coercing master or workman. It repealed earlier Acts, and itself was repealed by the Conspiracy and Protection of Property Act, 1875, which re-enacted the provisions of the Act of 1871 regarding molestation, threats and obstruction, and contained fresh matter in the shape of a declaration of the law of criminal conspiracy so far as concerns trade disputes. "It was considered that the common law relating to criminal conspiracies was in many respects vague and uncertain, and that workmen were justified in demanding that the law as to their liability in connexion with strikes and disputes should be made clear, precise, and definite."

The Royal Commission were anxious to make it clear that the legislation of the '70's only related to the criminal liabilities of trade unions, "no one was thinking of the civil action during the discussion of the Bill of 1875." The Commission laid stress on this because they held that the common impression that the Taff Vale judgment, and other similar decisions, represent "judge-made law," overriding the clear intention of the legislature, is not justified. The Act of 1906, however, rather represented the views of those who shared the common impression than those of the Royal Commission. Besides prohibiting actions of tort against trade unions, that Act legalised peaceful picketing, removed several grounds of action as against persons dissuading others from working, and further amended the law of conspiracy in the case of trade disputes by applying to the civil action for conspiracy the same

principle, which the Act of 1875 applied to the criminal prosecution,—all by way of helping trade unions, to what Parliament thought a reasonable extent, in the conduct of trade disputes.

The Acts affecting trade unions and the conduct of trade disputes have been included in this chapter of legislation, not because they directly affect certain classes of contracts, as *e.g.* of hiring or employment, but because they have facilitated the system of “collective bargaining,” by which the working classes have been enabled to secure for themselves a measure of distributive justice. During the long reign of the “justice of the peace,” wages were fixed by these magistrates, not altogether for the good of the working classes, as Thorold Rogers has contended. The passing away of this stage marked a real step from status to contract. It is sometimes represented that any modification of a system of direct bargaining between individual man and man is a return to “status”; but, in fact, it may be the only way of securing a free contract.

TRADE BOARDS ACT, 1909

This Act, which was intended to raise the standard of comfort in so-called “sweated trades,” provides for the establishment of Trade Boards by the Board of Trade to fix a minimum rate of wage in the trades scheduled to the Act. These trades are such as “ready-made and wholesale bespoke tailoring,” the making of cardboard and paper boxes, machine-made lace and net finishing, etc., and “hammered and dollied or tommied chain-making.” The Board of Trade may, by Provisional Order requiring confirmation by Parliament, add to or delete from the schedule of trades. The Trade Boards are to consist of representatives of employers and employed and neutral persons appointed by the Board of Trade. The minimum rates may be “time-rates” or for piece-work. An order of the Board of Trade is required to make such minimum rates obligatory. Short of the issue of such an order the fixing of a minimum rate of wages by a Trade Board has, *ipso facto*, a certain limited operation. Officers are to be appointed to see that the Act is enforced. Generally speaking, the Act is put into force rather from above than at the instance of the

persons whose labour is sweated District committees, however, may be established by a Trade Board and their business is partly to watch over the interests of persons employed in the trade

The Act is unlike any of those already noticed under the head of industrial legislation, and has no precedent among them The nearest analogy thereto is to be found in the provision for a judicial rent in Irish and Scotch land legislation The circumstances of "home workers," for whom the Trade Boards Act is mainly intended, and of farmers are alike in this sense, that, by the nature of their calling, both are isolated, and have to make their bargain with landlord or employer as individuals Hence, it is generally true that the weapon of collective bargaining, which is available for the workers in those industries carried on in factories and workshops, does not help the farmer or the home worker In saying this, I do not lose sight of the fact that the Irish tenant farmers have won some of their victories by the methods of trade unions, the analogy, however, is worth insisting on, as it indicates what may prove to be a weakness in the Trade Boards Act In land law reform it has come to be an axiom that fair rents imply fixity of tenure, and *vice versa* The Trade Boards Act gives fair wages, but inevitably gives the home worker no guarantee against dismissal from employment It may be that the effect of the Act will be to kill certain industries, especially if it is true, as sometimes alleged, that the increasing efficacy of factory legislation has stimulated home work But probably the disappearance of such industries would be the less of two evils

FINANCE

Let us now leave legislation for finance. The financial prerogatives of the British House of Commons have made it easier to achieve a measure of distributive justice for the wage-earning classes by the equitable incidence of taxation and the appropriation of the revenues of the country to "social reform" than to accomplish anything of the kind in France and Germany It is sufficient to indicate a few salient facts The traditional purposes for which the State revenues were formerly raised—viz national defence, the maintenance of law and order, and the administration of

justice—have been supplemented by votes now reaching nearly £20,000,000 for education, and £9,000,000 for old age pensions. These are independent of the sums now raised by direct local taxation under a representative system of local government for education and poor law purposes, and the imperial grants of about £10,000,000 in aid of local administration.

This modern allocation of public revenues has been accompanied by an increasing resort to direct taxes as a means of raising it, so that whereas a generation ago a good deal more than half of the revenues, coming from taxes, was raised by indirect taxation, this year the customs and excise duties between them are only expected to contribute £64,000,000 towards a total expenditure of about £172,000,000

The two movements traced in this paper, viz, the legislative and financial taken together, play no small part in the national policy of the last generation, and they are interesting as showing in these islands a social evolution quite distinct from that which Marx discerned as the necessary consequence of the "capitalist régime." The typically British policy of regulating the contracts between landlord and tenant, capitalist employer and workman, has so far only broken down in Ireland, where the Land Law Acts have been gradually replaced by Land Purchase Acts. There, however, the State has not retained the purchased rights of the expropriated landlords, but rather acted as an intermediary for transferring those rights from the landlords to the tenants, thus setting up a system of peasant proprietorship, which, taken by itself, is the negation of collectivism. It is to be noted, however, that there has been set up at the same time in Ireland a well-endowed Central Department to help and bind together the peasant proprietors, as if in recognition of the fact that this form of carrying on an industry—for agriculture is such—is not the most efficient

In Great Britain individual proprietors here and there have sold to their tenants the fee simple of their holdings; but, apart from the financial objections, which the experience of Irish land purchase has shown to attend the massive use of State credit for a general transfer of the "fee simple" from landlords to tenants, there is a strong body of opinion in Great Britain hostile to the

multiplication of freeholds, moved by the spectacle of freehold rights used rather to exact unearned increment for the exploitation of the land by another party than to safeguard the freeholder in reaping the due reward of his own labour and enterprise, or employed to thwart actively or passively the interests of a community. This opinion has manifested itself in the recent legislative measures taken to increase the number of small agricultural holdings, where the tenure conferred on the smallholder has not—in Great Britain—been that of a freehold.

The entrepreneur in other industries is not influenced by quite the same motives as the landowner. What the latter prizes about his position is mainly a kind of sovereignty—though too much taxation might even make sovereignty too costly; and though, if he buys an estate, he may talk of it in controversy as “investing money in land,” it is from an invisible impost, from the *dominium directum* rather than the *dominium utile*, that he expects his return. Hence any encroachment on his “sovereignty” by Parliament is more resented by him than a similar encroachment would be by a capitalist entrepreneur. The latter is mainly concerned with big dividends, the cash nexus is the typical relation which “connects” him (especially if “he” is a joint stock company) with the workmen. Hence, so far, the legislation sketched in this paper has not made the British entrepreneur anxious to be quit of the whole business and hand over his undertaking to the State or municipality. Sometimes he invites the workmen to become partners; and not infrequently a private firm becomes a joint stock company. But the main sign of any discontent with the conditions which the legislature has imposed on the conduct of industry in this country is in the growing demand that the community shall guarantee the entrepreneur a market, or his profits, as it may be otherwise put.

GENERAL RESULTS.

The industrial legislation discussed in this paper has, however, had certain results, which are worth noting. The Workmen's Compensation Acts give the most notorious example of this type of result. Since they have become law an employer, taking a

workman into employment, has done so under a greater liability than before. Not unnaturally, the kind of workman, in regard to whom this liability is most likely to become actual, finds a greater difficulty than before in obtaining employment. The Trade Boards Act may lead to similar results. Undoubtedly a trade union cannot for any length of time exact by collective bargaining a rate of wages which the labour of its members is not worth. Hence the legislation which has given free play to the trade unions and safeguarded it against encroachments, and the legislation which trade unions in turn have been able to secure, have acted by a kind of natural selection in helping to weed out the inefficient workman. This seems to be the process which accounts for a greater amount of chronic unemployment. Legislative activity has co-operated with free trade to make the standard of efficient "labour" and "capital" more exacting. The question immediately confronting us is whether the efficient capitalist and the efficient members of the working classes shall be swamped by a reversal of this process, or whether the standard of the better capitalists and the organized workmen shall be maintained and extended throughout the whole range of industry.

The results of the policy discussed in this paper should lead us to reconsider the relative functions of capital and labour in an industrial democracy. Marshall, in a historical note on the "wage fund" doctrine, remarks that Continental socialists, looking at England, were much impressed by the power of "capital," and concluded that labour under modern conditions of industry was inevitably dependent on capital. The capitalist was supposed to control the fund from which the labourer was paid. The "wage fund" theory is not so commonly held now as it was at one time, but a new doctrine of a similar character has grown up, based on the same presumption as to the dependence of labour upon capital. This might be called the "employment fund" doctrine, and it asserts that the labourer depends on the capitalist for employment. The truer doctrine would seem to be that under free trade conditions "capital" and "labour" alike depend on the consumer for employment. As agents of production, they are mutually interdependent. The "labourer" is supposed to be dependent on the capitalist, because (1) the

latter "advances" to him his share in the distribution of profits, since he could not afford to wait till they were realized; and (2) the "capitalist" supplies the stock of the undertaking.

This formula fitted the facts in the earlier days of the factory system when the "industrial revolution" swept away the "peasant proprietor" industry, the wage-earner was dependent on the capitalist. The very fact, however, that the wage-earner now began to work in companies was the lever, which he ultimately used to raise himself. A modern trade unionist is far from being dependent on his employer, he and his fellows maintain themselves for weeks during slack time and trade disputes. They supplement the money wages, which they receive from their employers, by payments in kind from the community. The change which has overtaken the relations of "masters" and "men" is well indicated by Marshall's proposal to substitute "exchange" for "distribution" as the proper conception of the mutual relations of the different agents of production. In certain trades the "entrepreneur" tends to become a "middleman" between the consumer and the workmen. Thus, in trades like shipbuilding, in which there is a succession of big jobs, the entrepreneur gets the order, but the foremen get "squads" together for each job, and they are dispersed when it is over. The workmen thus tend to become like bands of mediæval masons. It will be said that such trades are exceptional, and those in which heavy fixed machinery is used to produce a number of similar articles are more representative. Here, again, if the "entrepreneur" contributes costly machinery, by this very act he has given hostages to fortune, and is so far dependent on his men. He cannot afford to let it lie idle. Finally, the joint stock principle has transferred many of the duties formerly regarded as the special function of the entrepreneur to the salaried official.

This sketch of the actual relation of "employers" and "employed" is, no doubt, chiefly true of Great Britain; but the conception of a social development, in which the increasing complexity of the industrial organism leads to a greater interdependence of the various groups of agents of production, and to a consequent levelling in which no one group has a dangerous predominance, and so possibly removes one of the great reasons why the State

monopolization of the means of production and distribution has been demanded, seems to fit in with the facts that manifest themselves on the mainland of Europe. There, too, a greater belief seems to have arisen in the possibility of reaching a balance of industrial forces through the "solidarity of labour," and a growing doubt whether the Marxian is the only way of bettering the present state of things.

H. M. CONACHER.

LABOUR IN JAPAN.

AT the present moment the Japanese people are filled with a spirit of nationalism and patriotism of an ardour which is simply unthinkable to the British mind. I have questioned young men from nearly every district, and I have to ask again and again before I can believe they are not replying in jest. I have always been myself a perfervid fanatic on the subject of the Union Jack, but my thought is separated by whole worlds from that of these people. We come here to teach them Christianity, but we cannot get "a word in edgeways," so great is their anxiety to tell us the exploits of their patriotic heroes, to impress upon us—sighing the while at the impracticability of bringing home in any way to the foreign mind the intensity with which they feel it—that while patriotism gives to life its sole and exclusive meaning, death under the national flag is really the only dignified manner of quitting it.

No doubt this sentiment is a more complete obsession of the rural mind; but only five and a half out of the fifty millions live in towns containing a population of over fifty thousand, and there is no evidence that the sense of patriotism tends to diminish in the larger towns. Sociologists, scientists, and materialists who have cast away every other dream of the older world, feel no inconsistency in being negative and destructive about everything else, while frenziedly positive on this. The Japanese, they believe, are the only loyal people in the world, and every single one of them is absolutely loyal; loyalty is the basis of all virtue, therefore every Japanese is virtuous. This state of affairs has existed for two thousand five hundred years. The Japanese are a family, the first emperor being the common ancestor of the whole population. Conflicting interests cannot arise in Japan. Should a Japanese, through temporary mental derangement, break away from this system of belief and conduct, he would commit suicide on discovering the fact in his first lucid interval.

These dogmata are inculcated from the cradle, and have the strength that advantage gives. A man who holds this faith with this fervour, and with this degree of common consent, will not easily be persuaded to make political agitation for his personal or sectional gain his ruling passion.

Besides, in Japan, a "thorough" policy of prevention is applied to the kind of oratory, printed or spoken, which might divert the current of the individual's enthusiasm. A small group of philanthropists in Tokyo are studying the labour problem, but agitation is, I believe, at present extinct. The economic situation is not the less thrilling that it is not, and is not likely to be, the subject of political agitation. Bushido, the code of loyalty ethics, is said to have taught contempt of gain, and the succour of the weak and distressed—strengthened by the "family" doctrine already mentioned, the presence of destitution on a large scale would not be long in causing a violent rift in the dogmatic lute. The statement, which I have seen in the work of a learned Frenchman, that the Japanese are callous about individual suffering, is not borne out by my inquiries. The heroism of leaving home, exposing old parents or little children to the risk of destitution, and going away to fight for Japan is emphasized to a degree which an educated audience in England would think mawkish. It is emphasized none the less that conscription leaves the soldier no option. I remember seeing the Black Watch leave Edinburgh to go to fight in the Soudan—at least as deadly a business as fighting in Manchuria—but it never occurred to me that we were a heroic people because the crowd was silent, until I heard the Japanese claim a similar phenomenon as proof of their superior heroism to all other nations.

Pathos appeals to them at the very least as much as it does to Western peoples, and they are much more ready to sentimentalize over it. The popularity of the novel, translated into English as *Namiko* will occur to any one who has read the book, as an example of this. If my acquaintances are fair samples of the people, then the appeal of poverty, made with a hundredth part of the eloquence with which it is made in England, would produce a veritable deluge of sympathetic tears in Japan. Here again I find myself receiving a completely opposite impression to that

of another French writer, who questions whether the Japanese will ever share the aspirations for social amelioration which agitate the West. It is true that it is the great city which makes poverty phenomena dramatic and obvious enough to arrest attention. To residents in rural districts the word "poor" suggests a few individuals, and in each case the pathos is mixed with much else. In great cities it rarely or only secondarily suggests individuals, but immediately a great big familiar townscape of a peculiarly repellant and depressing character. Consequently the Japanese have not yet classed ordinary everyday sociological poverty or distress as pathetic in Japan. The labourer whose work is casual, and the sweated worker, man, woman, or child, are not yet classed with the dependants of soldiers at the front.

Notwithstanding their more sentimental view of all questions, it is not uncommon to be told that people in Japan who are destitute must be either persistently lazy or persons of bad character. As one of my acquaintances epigrammatically put it, "We Japanese are very proud of good relatives and very much ashamed of bad ones," meaning that people in distress are succoured by their relatives as a matter of course, unless and until they have shown themselves to be unhelpable. Parents have a legal right, which is endorsed by the whole body politic, to be supported by their children, and many of them give up work and "take their pension" in this form, at what we would call an unreasonably early age. A member of the Tokyo society already referred to gave me it as his opinion that the family system would prevent the poverty question from becoming acute for some time, though it was only a question of time, since the family system is bound to be weakened by industrialization and the development of great cities. Social workers in England are familiar with the case in which the man in distress is on good terms with his relatives, but precisely as he is suffering from the irregularity of work in the building trade, so are they. Low wages and high prices must put at least an equal strain on families in Japan when town-folk have ceased to have any connexions in the country. So long as part of the family is still farming there is always a rent-free home to go to, and, in the busy seasons at least, something

to be done. While reaping, threshing and winnowing are done, as in Japan, by hand, the fields can employ, if they cannot pay, plenty of extra labour.

But, as the city breaks down the family succour system, the sympathies of a tender-hearted people will flow in this direction. It is then that the dogma of the nation as the emperor's family will come into play on its obverse side. Is the son who is so anxious to shed his blood for his great father to be left to starve? I have heard a Japanese say, "In the West State Socialism is called for to remedy evils, in Japan it has been part of the national constitution since the dawn of history." The Japanese are never tired of saying, "Our lives are not our own, they are our Emperor's." The formula is first cousin to the present Western application of "solidarité"—"The wealth of the rich belongs by right to the whole community." Feudalism in Japan is so recent that differences of social status still seem a matter of course: none the less, the revolution did in fact, if not in idea, annihilate the classes by its economic results. "Samurai" is now a synonym for a poor man. When the contrast of rich and poor becomes sufficiently marked to attract general attention, the logical discrepancy between such a condition of things, no longer sanctioned by function and tradition, and the dogma of the national family may be expected to stir a very emotional people.

Nor is the central Government in the least likely to overlook the matter. If Japan is to win and keep a place among first-class powers, the material from which the army is drawn, styled by German experts the best fighting machine in existence, must be preserved. The unsatisfactory position of the yeoman class was thus summed up to me the other day "Of our fifty millions, thirty are farmers, of them, 15 per cent. are large, twenty-five middling, and sixty small farmers. These last make an average profit of fourteen shillings per month; support large families upon it, and pay away twenty-eight per cent of it in taxes." Very often at least one member of the family is ambitious of a student's career. The people have an immense belief in schooling, and the number who compete for the higher opportunities of it is very great. The farmer handles hardly any cash,

in an age when life without it becomes, to many, increasingly intolerable. When these men have moved into the cities or emigrated, a very different estimate may have to be made of the Japanese army. A high tariff on imported food stuffs, the shifting of at least a fairer proportion of the burden of taxation from the land to commerce and industry (it is held that the merchant is only taxed fourteen per cent of his profits), and the promotion of scientific agriculture are the remedies which are being applied.

PROSPECTS OF AGRICULTURAL LABOUR.

There is a class of crops styled "Special" in the Reports of the Department of Agriculture and Commerce. The first is cotton. The area under this crop in 1899 was roughly 80,000 acres, but it has declined steadily year by year until in 1908 it was under 13,000. No comment is needed upon the importance of this evidence that so far the Japanese Empire cannot hope to grow much of the raw cotton required for its mills. The production in 1908 was just over 4087 tons, but in that year the consumption of raw cotton in Japan was 181,193 tons. The condition of the industry is as follows.—

The import of cotton yarn in 1908 was valued at £189,576, the export at roughly £2,100,000. The value of cotton fabrics imported was £1,789,951, and exported £1,794,678, making almost a balance. The imports and exports of cotton yarn and the imports of cotton fabrics in the period 1899–1908 show no marked tendency, but the export of cotton fabrics has increased steadily from £391,048 in 1899 to the present figure. A good market, in which Manchuria is the best customer, has been secured for cotton fabrics. Their manufacture must play an important part in the economic future of Japan, and the failure of the cotton growing experiment is bound to affect her territorial ambitions. Meantime, the Japanese farmer is disappointed of a source of profit which would have entirely altered his economic position.

The fall in the area under leaf indigo from roughly 117,000 acres in 1899 to 30,000 in 1908 augurs badly for that attempt, which, like the same industry in India, has been ruined by the development of chemical blues. The area under leaf tobacco has likewise

fallen in this period from 100,000 to 72,000 acres, and that under rapeseed from 370,000 to 310,000.

These disappointments are set-off, however, by the success achieved in silk, the ready export of which makes it equally welcome to the farmer and to the Government. The area under mulberry has increased from 555,000 acres in 1900 to 855,000 in 1909, and the production of raw silk and waste silk from 14,253,217 lbs., and 4,887,496 lbs in 1899, to 20,659,713 and 7,883,127 in 1908. Seventy-one per cent. of the raw silk was exported in 1908 compared with 54 per cent. in 1899. The value of the combined export rose from £6,670,180 in 1899 to £11,648,151 in 1908. (It is noteworthy that the *import* into Japan of Tussah silk rose from £37,000 in 1899 to £144,000 in 1908, and that the import of cocoons continued to average about £50,000 per annum.) This increase brought the export of raw silk from Yokohama in 1908 almost up to that from Shanghai and Canton combined, whereas the Chinese export had been more than double that of Japan in 1899.

Of far less importance for export purposes but of greater importance to the farmer is the rice crop. The various Government experimental farms have been working at improved methods and fertilizers and have shown that the yield is capable of increase. While the area under rice has only increased from 6,817,500 acres in 1889 to 7,345,000 in 1909, the output per acre has risen 26 per cent. in that time, viz from (roughly) 21.6 bushels per acre to (roughly) 33.2. The Government farm can raise 42.8 bushels per acre, indicating the possibility of a considerable increase for the ordinary farmer. The price has risen from two shillings a bushel in 1887 to six shillings and sevenpence in 1907, five shillings and sixpence in 1909. I have no figures for the additional outlay which has been necessary on the part of the farmer, but it appears that he may fairly be congratulated.

Students of tariff questions are much interested in the fact that a duty on imported rice seems to exercise no influence whatever upon the price of the home-grown article. The reason appears to be that the Japanese article can always command a considerably higher price. The price of imported rice has in fact risen from 1s. 9d. per bushel in 1887 to 4s. 5d. in 1908 and 3s. 11d. in

1909, but it has never risen to much over two-thirds of the price of the home-grown article. The development of towns in Japan has created an ever-increasing demand for Japanese rice, in consequence of which the price has steadily risen notwithstanding the falling off in export; the export in 1909 being two million bushels, or only a third of that of 1889.

The total output of Japanese rice in 1909 was 254,095,300 bushels. The town populations cannot all afford the preferred Japanese article, and their development has increased the demand for the cheaper foreign rice. The total import of it in 1909 was 68,183,745 bushels. As the townspeople become more prosperous they will provide a reserve demand for Japanese rice and help to maintain the price.

The last annual report states that the average wage of farm labourers on yearly contracts in 1908 was—males, £4 12s. 6d., females, £2 11s. 6d., with board. These rates show a rise of 48 and 50 per cent. respectively on the wages of 1900. The detailed table by districts shows that £1 16s with board is the lowest wage in 1908 for a man, being the lowest paid in the Nigata district on the north-west coast, and £8 2s with board the highest, being that paid on the main island opposite the coal mining district of Northern Kinshui. This is exceptional, and, in fact, this annual wage is calculated from the monthly wage which really prevails there. Farm labourers' wages without board are only quoted for two districts, and are £10 16s and £10 10s respectively. The wages of farm labourers are the less interesting or important, however, for the bulk of the land is tilled by men who hire no labour. The highest daily wage paid to a male farm labourer is 1s 7½d with board, being the highest wage paid in the neighbourhood of the large manufacturing centre of Osaka. The lowest is 4d with board, being the lowest paid in the extreme north of the main island. The highest wage paid to the male sericultural labourer is 1s 2½d with board. The lowest 5d with board, that paid near Sendai on the north-east coast. The female silk spinner draws a wage varying between 11½d with board and 2½d. with board.

DEVELOPMENT OF INDUSTRIES.

Turning to other sources of demand for labour in Japan, it appears from the last report that the persons engaged in some of the leading industries during the ten years ending with 1908 has been as follows —

Industry	Males				Females			
	Max	Year	Min	Year	Max	Year	Min	Year
Cotton spinning	16,445	1899	10,967	1904	62,001	1907	43,760	1900
Weaving	43,172	1901	23,671	1904	828,117	1900	598,052	1904
Porcelain	22,113	1907	15,794	1899	6,584	1906	3,660	1899
Lacquered wares	18,001	1899	13,645	1903	2,950	1903	1,408	1904
Oils	15,450	1900	10,154	1908	5,585	1905	718	1899
Waxes	5,195	1899	3,675	1908	1,511	1904	248	1901
Indigo	23,125	1899	7,475	1908	7,160	1908	1,702	1903
Japanese paper	89,940	1901	70,556	1908	109,318	1901	86,907	1899
European paper	4,378	1908	2,229	1903	1,778	1906	707	1899
Matches	6,942	1907	4,878	1908	18,761	1905	11,828	1908
Plants of straw and wood shaving	63,495	1907	2,287	1899	212,830	1905	16,207	1899
FACTORIES—								
Employees	257,356	1907	158,793	1899	400,925	1908	257,307	1900
Labourers	109,794	1908	— ¹	—	37,051	1908	—	—
Mines	214,435	1907	119,667	1899	—	—	—	—

Many of those included in the totals for factories have doubtless already appeared under the other headings. In the return of mine employees no distinction of sexes is mentioned, but I understand that females work in them. It is well to remember that 1904 and 1905 were the years of the Russo-Japanese War.

The amount of employment given by these industries is of course affected by many circumstances. The introduction of machinery and other changes of process, the substitution of female or juvenile for male labour or *vice versa*, may decrease the employment even in an industry the output of which is itself growing.

The cotton industry has already been mentioned. It has proved a steadily increasing source of livelihood. In 1868, 5,456 spindles were at work; in 1878, 8,204, in 1888, 116,276; in 1898, 1,146,749, and in 1909, 1,843,598. I find no returns of spinning by hand either cotton, silk, or hemp, though the report is a detailed one.

¹ No figures

I also learn from personal acquaintances that, though their relatives still weave the stuff for their garments, they no longer spin the yarn they weave. I have a note from a newspaper to the effect that cotton weaving looms have increased from 2511 in 1898 to 11,019 in 1909, and the yards of cloth woven from 28,652,016 to 181,976,972 in that time

In the general summary of weaving for the ten years ending with 1908, power looms are given as 32,642 in 1899, and 37,630 in 1908, hand looms as 711,895 in 1899, and 745,525 in 1908; but the former fell to 15,636 in 1904, and the latter to 599,259 in 1903. In the dyeing industry the work done in factories and workshops in 1908 was valued at £218,799, that done at home at £106,290

The output and export of porcelain show the same expansion as the employment. The output of lacquered wares in 1908 is valued at £766,512, compared with £564,022 in 1899, and the number of females is the same in both years. The reduction of male hands from 18,001 to 14,534 must be due, therefore, to changes in the appliances used. The total of 17,033 hands are, however, in 1908, spread among no less than 6002 "factories or workshops". In oils, while the value of the output tends to rise slightly, the falling off of 3500 in the employment of males during the ten years is accompanied by an increase in the number of females of over 4500. In waxes economy of labour has taken place. Indigo has already been noticed as a failing crop and industry. In Japanese paper £1,879,706 worth was made in 1908 by the same number of men (70,000) and 6000 more women (92,000 compared with 86,000) as were required to make £1,199,295 worth in 1899, despite the fact that the price of part of the goods has fallen considerably, while that of the rest has remained stationary. In European paper the increase of employment has moved *pari passu* with the output. In matches 4878 males and 11,828 females made, in 1908, 39,397,680 gross, whereas in 1899 5203 males and 14,026 females only made 25,647,775 gross. The total output of 213 factories is still less than that of one firm in England, so that further development of process may be expected. The figures given for the plating industry are not clear. In fact, the work is done by children at play, domestic servants, and all

kinds of people. They carry the work about with them winding the plait on to a bobbin as they do it. The total value of the output is only £337,336. This statement exhausts the main branches of industry of which the movement during the ten years ending with 1908 is set forth in the last report of the Department of Agriculture and Commerce.

FEMALE AND JUVENILE LABOUR.

The distribution of population in 1908 in what are called "factories" is tabulated, and a few extracts may help to clear up the position

Industry	Employees and apprentices				Labourers	
	Over 14 years of age		Under 14 years of age			
	Males	Females	Males	Females	Males	Females
Textiles	40,789	296,424	2,475	33,596	9,412	5,962
Machines and metals (Including shipbuilding, which accounts for 12,000 men, and machines, which account for 29,000 men)	50,023	2,115	1,722	164	7,211	683
Chemicals (including ceramics)	38,509	19,344	3,797	4,119	11,488	3,963
Food and drink (Including 15,000 men who brew)	25,880	16,092	834	1,072	4,496	1,209
Printing and Publishing	12,571	2,048	1,753	510	592	39
Paper	5,429	2,521	68	178	992	420
Wood and bamboo goods	8,797	3,059	827	699	3,396	930
Electrical industry	1,331	12	—	—	48	—
Gas industry	460	1	10	—	90	3

The classification upon which the other entries are made is not clear enough to enable them to be quoted with profit, nor do they appear to add materially to the account of the industrial position already given. Very strong statements are sometimes made about the employment of females and children in Japan, and these figures may be found useful comments on them. The small numbers under the heading wood and bamboo, in a country where utensils not made of those materials are very much the exception, shows to how small an extent power and machinery have yet been applied to their manufacture. The same applies

to paper, the manufacture of which by hand is one of the occupations of persons serving terms of imprisonment.

MINING

In mining the advance has been in coal, the miners of which have doubled in number in the ten-year period. My informants tell me that this development has greatly relieved the pressure of population on the resources of agriculture in the districts neighbouring Fukuoka (north of Kinshuu) where almost all the coal mining of Japan is going on. The output of coal in Japan rose from 6 to 14 million metric tons in the ten-year period, while the import, except in the two war years when 960,000 tons were imported, averaged about 60,000 tons. A little below 3 million tons is annually exported, while ships, railways, factories, and saltworks, increased their consumption from 5 to 8½ million tons in the period. Although, as a Japanese paper observes, most of the country's millionaires owe their wealth to mining, this means of enrichment may be short lived. The life of the Japanese coalfields at present known is put as low as twenty years by some writers. This may well become the most critical aspect of the problem of finding employment for the rapidly increasing population. Japan has a much greater population than the United Kingdom, for example, nearly as great a one as that of Germany, and half as great a one as the United States; but the coal output of those countries in 1908 was 261½, 215, and 379 million tons respectively. Nor are the other mineral resources such as to assist greatly in meeting the employment problem. The greatest is copper. With 41 thousand metric tons in 1908 Japan came third in the list, only Spain (53,000) and America (430,000) producing more. The lack of iron is serious. The Japanese output of pig iron in 1908 was 42,007 and of steel 2609 metric tons, out of the world's output of 48 and 39 million tons respectively. In the same year the Japanese output of petroleum was 258,922 metric tons out of the world's output of 39½ millions, and that of sulphur 33,329 out of 806,959 metric tons.

Unfortunately there are no returns of the wages of miners.

They are paid by the piece, and I understand their daily earnings vary between 1s and 3s. according to their skill and energy. They are looked down upon, the mines being considered refuges for the scapegraces of respectable agricultural society.

The value of the minerals exported from Japan rose from £2,753,954 in 1899 to £4,078,580 in 1908, with a maximum of £4,965,913 in 1907, while the imports of minerals cost £1,966,371 in 1899, £5,254,713 in 1905, but sank again to £3,803,223 in 1908.

WAGES.

It is possible that this rough sketch of the industrial position has prepared the reader to endure a table of wages. In calculating the rise, the wages of 1900 are taken as 100 in the Government table.

Occupation		Wages, how calculated	Highest in 1908	Lowest in 1908	Index No in 1908
			£ s d	s d	
Clothing, etc., 136 6	Gardener	Daily	3 0	7½	135 5
	Fishermen	"	1 6½	4½¹	130 8
	Clothing I { Weaver (Male)	"	2 0	2½¹	133 3
	136 1 { Weaver (Female)	"	1 2½	2½	120 0
	{ Dyer	"	2 7½	3½¹	158 6
	{ Cotton whipper	"	2 3½	5	132 4
	Clothing II { Tailor (Japanese dress)	"	3 1	4½¹	138 5
	137 9 { Tailor (European dress)	"	5 0	6½	130 5
	{ Pouchmaker	"	3 0	5½¹	144 7
	Clothing III { Clogmaker	"	2 8½	5½	137 5
	135 8 { Shoemaker	"	3 1½	4½	134 0
	{ Soymaker (Japanese)	Monthly	2 12 0	6 0	143 4
	{ Sake brewer	"	3 10 0	6 0	136 6
	Food and Confectioner	Daily	1 8½¹	2½¹	130 0
	Drink 133 0 { Tobacco cutter	"	2 0	4	134 9
Housebuilding, etc., 155 7	{ Rice-pounder	"	1 1½	2½¹	120 0
	{ Carpenter	"	2 10	1 0	150 0
	{ Plasterer	"	3 2½	1 0	155 6
	{ Stonecutter	"	3 7½	1 0	157 4
	{ Sawyer	"	2 5	1 0	147 2
	{ Shingle-roofer	"	2 10	1 0	154 9
	{ The roofer	"	4 0	10	164 4
	{ Bricklayer	"	4 2½	1 2½	168 3
	{ Brickmaker	"	2 8½	8½	164 4
	{ Shipbuilder	"	3 0	11	148 2
	{ Floor matmaker	"	2 2½	8½	157 4
	{ Screen and doormaker ..	"	3 0	11	152 9
	{ Paper-hanger ..	"	4 0	4½	148 0

Means with board

Occupation		Wages, how calculated	Highest in 1908	Lowest in 1908	Index No in 1908
Instruments, etc, 141 7	Cabinet-maker .	Daily	£ s d 3 0	s d 11	142 0
	Cooper	"	2 5	13 ¹ ₄	132 6
	Carmaker	"	3 0	10	142 6
	Harness-maker	"	3 0	5	144 7
	Lacquarer	"	2 7 ¹ ₂	7 ¹ ₂	136 2
	Jeweller	"	3 0	6	147 6
	Founder	"	3 2 ¹ ₂	7 ¹ ₂	140 4
	Blacksmith	"	3 5	6	141 7
	Potter	"	2 0	7 ¹ ₂	147 4
	Oilpresser	"	2 0	5	144 4
	Papermaker	"	1 7 ¹ ₂	5	137 5
	Typesetter	"	2 2 ¹ ₂	5	145 7
Misc 148 6	Printer	"	3 0	2 ¹ ₂	138 2
	Day labourer	"	1 7 ¹ ₂	8 ¹ ₂	143 2
	Manservant	Monthly	1 0 0	2 0 ¹	149 6
	Maid-servant	"	14 0	2 0 ¹	181 4
Grand average		—	—	—	148 0

These figures are selected from an immense mass of figures revealing an almost unlimited variety in remuneration. The very highest wages are those paid in Kobe, Yokohama, and Nagasaki, the chief seaports, and in Tokyo and Osaka for Western kinds of work, the next highest are those paid to a skilled man willing to exile himself to far-off Hokkaido, or the remote parts of the island of Shikoku, thirdly come those paid in the coal-mining district. The lowest are for the most part those paid in the remoter parts of the main island, the north and north-west coast, or the north part of the east coast, and in Shikoku. Some astonishingly low figures are also quoted from the great cities, suggesting that a "submerged tenth" has already accumulated there which is willing to work for very low pay; but I have no information that this is so. The table as it appears in the report is badly in need of a commentary. Is the lowest wage always that paid to females? Some comment is forthcoming from the table of factory workers. There, however, the figures given are averages for the whole country, and do not represent the pay drawn by any individuals at all. The wide variations make such an average the more meaningless.

¹ Means with board

Occupation	Daily Wage			
	Over 14 years of age		Under 14 years of age	
	Male	Female	Male	Female
	<i>s</i> <i>d</i>	<i>d</i>	<i>d</i>	<i>d</i>
Weaving	8½	5½	3¾	3
Machine-making .	1 2½	7½	4½	3¾
Ceramics	1 10	5¾	4½	3¾
Paper	10	5½	4¾	2
Brewing	1 2½	6	5	—
Sugar	1 0	6	—	—
Tobacco	1 1	4½	3¼	3¼

These strange figures of wages reflect the struggle between the recent feudal relation under which the worker was a dependant, and the purely contractual relation imported by the Western mechanics who have taught the Japanese Western methods, and by Japanese who have been in America. It is not at present possible to present the proposition arithmetically, but there seems to be a consensus of opinion that the work done by most Japanese workmen is very materially less than that done by the Western workman in the same time; further, that many more of them are required in a gang than in the West. They are apt not to grasp the best way of using even simple appliances. I have frequently seen men pumping on a town drainage scheme who were obviously unaware of the principle of the lever. It is true that they nominally work more hours in the day. Unfortunately the official returns of the hours worked are not clear. It will be clear, however, that "cheap Asiatic labour" is a phrase which requires some qualification when discussing industrial conditions in Japan.

COST OF LIVING

While his wages have been rapidly increasing the Japanese workman's expenses have been keeping pace. This is amply proved by the index numbers of the chief commodities. 1900 average prices are taken as 100. The index numbers in 1908 are as follows.—

Rice	135	Tea	131
Barley	130	Beef	168
Wheat	124	Eggs	115
	114	Milk	98
Small red beans	101	Grey shirting	147
Salt	217	Calico	138
Soy ..	131	Coal	125
White sugar	138	Firewood	124
Sake	141	Charcoal	124

The following comparative monthly budget, though a little above many workmen's scale of living, illustrates the point. It is stated in yen and sen, one yen being equal to two shillings and one sen to $\frac{1}{100}$ yen.

	1887	1897	1907		1887	1897	1907
House rent	2 50	4 50	7 0	Bath fee	0 33	0 60	0 96
Rice	2 77	3 30	7 20	Tobacco	0 90	1 20	1 50
Soy (sauce)	0 23	0 37	0 57	Vegetables	0 50	0 90	1 50
Miso (for soup)	0 20	0 40	0 60	Fish	0 60	1 20	1 40
Salt	0 03	0 04	0 12	Beef	0 60	1 20	1 80
Sake (rice wine)	0 15	0 25	0 35	Tofu (bean curd)	0 12	0 24	0 36
Kerosene	0 24	0 30	0 51	Firewood	0 16	0 28	0 40
Other oils	0 06	0 12	0 24	Charcoal	0 45	0 60	0 90
Sugar	0 15	0 30	0 60	Toilet articles	0 20	0 30	0 50
Milk	0 90	1 05	1 35	Tax on railway	0 17	0 17	0 33
Newspaper	0 25	0 30	0 35	travelling			
Primary school fee } per child	0 10	0 20	0 30	Rikshas and tram- way cars	0 90	1 20	1 30
Pens, ink, paper per } school child				Ward charges			
Hairstressing	0 31	0 38	0 52	Stationery	0 30	0 40	0 60
				Servants' wages	1 00	1 50	2 00
					14 20	22 03	37 77

The only comment this budget appears to call for is to congratulate the frugal man who supported himself so cheaply in 1907. I cannot do it in 1910. In most parts of Japan 7 yen will secure a house in which a college professor is well content to live. The author of this budget is not available for cross-examination, but the consumers of the commodities would appear to be a family with one servant. If some of the wages given above are applied to this budget, it will be found that they are not very exiguous. Teachers in the primary schools start at 18 yen per month, while those in the secondary schools begin with 25 or 45 yen, according to grade.

I have seen it stated that the Japanese authorities are callous about accidents happening to members of the working classes. This is hardly consistent with a very full statement of accidents in mines during 1908 published in the report of the Department of Agriculture and Commerce for that year. 120,248 persons (95,061 males, 25,187 females) are entered as employees in Government factories, and 5408 (4759 males, 649 females) as labourers in the same. The daily wages in the various branches of the military department, for example, are 1s 6d, 1s. 3½d, 1s 2d., 1s 10d., 1s 3d, 1s. 6d, for the males, and 8d, 7d, 5½d, 6d, 6d for the females. At Japanese rates and in reference to Japanese expenses these are obviously not "sweating" rates. It is true that the Government has been trying unsuccessfully for twelve years to pass a Factory Act, but the failure is admitted to be due to Parliamentary opposition and not to indifference on the part of the Government to the welfare of the wage-earning

The great variety in the rates of pay is surprising to readers accustomed to trade union supremacy. The trade union movement in Japan started some years ago by Tokyo philanthropists flickered out pretty rapidly, and whatever interest it may have awakened was consumed in the ardent fires of nationalism which have blazed up since the victories over Russia. I am told, however, that the Japanese wage-earner is a trade union unto himself in the matter of keeping up rates. This has produced quite remarkable results in the seaports, where inadvertent tourists have paid on a scale quite disproportionate to existing conditions, and residents have found it impossible to go back upon it. This is attributed to Asiatic "solidarité". A capacity for sleeping and smoking away his time and living, if necessary, upon a very small income gives the Japanese workman more strength in "locking out" his would-be employer than is possessed by the Western workman with his high expenses and his notion of regular work as a normal and desirable state. If you want something done or made in Japan you have to overcome the *vis inertiae* of the man who is to do it, whereas, in the West, normally, you put in motion a man who is kicking his heels in expectancy.

FLUCTUATION OF EMPLOYMENT.

I have not attempted to give any account of the fluctuations of employment, which we are accustomed to regard as the matter most pertinent of all to the well being of the wage-earning classes. The report contains numerous figures on the subject, but they take the form of "total working days" or "total shifts worked," and consequently throw no light upon the amount of employment secured by any given worker. The same difficulty attends this inquiry in the United Kingdom, and in all countries. On the other hand, the returns make the annual fluctuations quite clear, and some idea of them can be obtained from the small table of maximum and minimum employments which I have given to illustrate the progress of industry. The Japanese have entered the industrial world at a time when fluctuation of employment is an inseparable feature of it, and they cannot escape their share. They have at present, what the West has not, the elastic resources of a strong family system. No comparable means of meeting the trials of irregular employment has yet been devised by the wit of man. Lastly, the Annual Report of the Department of Agriculture and Commerce is a document of 713 pages, well printed in English and presenting its information in a more compendious form than anything of the kind in the United Kingdom. The day is distant; I imagine, when an edition of the *Labour Gazette* in the Chinese character will be printed for the benefit of Far Eastern students.

J. C. PRINGLE.

“PUBLIC ASSISTANCE” AND ORGANIZED CHARITIES IN OXFORD.

WHEN common sense and enlightened philanthropy have had their way, and every district has concentrated its different forms of mutual help, people will look back upon the present moment as a phase of special interest in the history of social relations. It is interesting from its very incoherence. We have now in separate compartments all the means of assistance inherited from past centuries, along with those which have been evolved to soften the results of the increasing stress of competition in the business world. The imaginative will be able to see the shades of tonsured ecclesiastics, of sixteenth-century overseers of the poor and eighteenth-century ladies interested in religious and industrial education, haunting the future committee room of the Public Assistance Authority proposed by the Majority Report on the Poor Law, or the office of the Public Registrar who is the invention of the Minority Report. These early “social workers” left their methods or their money to combine with later additions by upholders of State old age pensions, by working-class promoters of trade and friendly societies, and by the supporters of unofficial “charities.” Almost every sensible person engaged in any of these forms of social activity agrees in wishing to co-ordinate them. It is therefore worth while to study them now, before their angles are rubbed away, and the social theory that each in some degree represents is lost, and Oxford, a county borough of moderate size and many centuries of history, offers very fair ground for such observation.

Oxford had, in 1909, an estimated population of 52,306. The birth-rate was 20·5 per 1000, and the corrected death-rate 12·95, as compared with 24·8 and 14·5 respectively in other towns of the same class¹. Rather over 2000 houses with less than five rooms were in occupation, by about 6700 people, at the time of the 1901

¹ Report of Medical Officer of Health, 1910

census. Wages are low as compared with neighbouring towns, but rents are not high, ranging from 4s. to 5s 6d for the typical workman's four-roomed cottage. The rates in 1909 were 4s 6d in the £—the lowest in any English county borough. About £40,000 was spent last year by the education committee on higher education and on the elementary schools. Employment fluctuates considerably between term and vacation, as well as with the seasons. The city manufactures little for the outside world, apart from the products of the University Press, and of three ready-made clothing factories.

These rather disconnected statements may give an indication of the field in which "organized social forces" operate.

The following is a rough summary, based on the published reports of official and private agencies and on information kindly supplied by most of the parish clergy and ministers, of the sums spent last year on public assistance from different sources. It will be seen how these represent the historical stages of relief, by the church, the municipality, the State, and philanthropic societies.

(1) *Parochial Assistance* (including sums spent on their own members by certain Free Church congregations) amounted in (a) offertories and donations to about £1250, and in (b) endowments to about £1100. The former sum is generally given away to meet special emergencies of sickness or other distress, or in small weekly pensions. The endowed sums are expended largely in pensions, some amounting to as much as 8s a week; in loans, or doles of bread and coals, or in apprenticeship premiums to the value of £70 to £80 a year. Not much assistance is given by "tickets" through the district visitors, but the system varies very much in the different parishes. A "Poor Parishes Fund" has for many years been supported by some of the wealthier parts of Oxford. This fund in 1909 produced £166 for division among the poorer churches.

(2) *The Municipal Charities* have an average income of about £3740. They are a conglomeration of old charities, bequeathed from the sixteenth century onwards, and reorganized lately by the Charity Commissioners. They are administered by twenty-one trustees, nine elected by the city council, the guardians, the University, and the governors of the Infirmary, and twelve

co-opted. About £120 is given away in apprenticeship premiums, and nearly £1800 towards pensions and almshouses. The remainder provides exhibitions to be held at local secondary schools, and at the University, gives special allowances for the "advancement in life" of individuals, and makes occasional loans; while a considerable sum is left over for yearly grants to deserving institutions such as the Infirmary, and the District Nurses' Home. The trustees endeavour to make full inquiries into the circumstances of all applicants for help.

(3) *The Poor Law*—Oxford is in two unions, with rather different methods of relief. One of these spent in 1908-9 about £18,000, including £1220 for outdoor and medical relief, and £4700 for in-maintenance of paupers. The four Oxford parishes included in the Headington Union (which is chiefly rural) contributed £5350, in 1909, to the total cost of poor-relief. Of this, £825 was spent on out relief within the city.

(4) *State Old-age Pensions*—From September, 1908, to December 1909, pensions had been granted to Oxford people to the value of about £11,000. Although they are, of course, supplied by imperial not local taxation, they may fairly be included here.

(5) *Charitable Societies* disburse from £18,000 to £20,000 a year. These figures represent the sums received in 1909 (occasionally in 1908), and include the balance at the end of the year. An effort has been made to make allowances in the case of those charities which, like the Radcliffe Infirmary, supply the needs of the county and diocese as well as the city.

Private charity cannot, of course, be included, nor is the cost of the departments of Public Health and Sanitation given here.

The total amount available from different sources for citizens in need is thus over £53,000. But the relation of this considerable sum to the number of persons living in the city gives no clue to the economic effect of its expenditure upon the recipient and the donor (compulsory or voluntary), nor does it explain the personal aspect, much more important for all parties, of the help that is now offered by the community. Perhaps if we take an imaginary citizen of the less well-to-do type, and follow him through the successive stages of working-class life under present conditions, it will give some idea of the operation of these different efforts.

When a baby is born in Oxford, a network of social influences, each with a more or less thought-out purpose, is ready to close upon him. Most of these he will accept throughout life as a matter of course, with complete indifference as to their origin. His birth is duly notified to the medical officer of health, and by him, if the baby lives in a house below a certain rental, to the secretaries of the Health Committee. This voluntary body has helped to reduce the rate of infant mortality from 118.4 per 1000 in 1905 to 75.7 in 1909-10, when the average for towns of the size of Oxford was 111 per 1000. After this second notification, either the district visitor, or a volunteer health visitor—a lady who has “had experience with babies” is “asked by the secretaries of this society to call upon the mother” and report “In many cases where the mother is experienced and the baby healthy very little visiting will be required, but the health visitor is asked to keep in touch with the family. In other cases, where her advice seems likely to be of value, she visits regularly till the infant is a year old.”¹ Periodical lectures on health are given, and the mothers, who almost always fall into most friendly relations with their “baby lady,” are encouraged to bring their children to be weighed at intervals under the care of the committee.

The official “Lady Inspector of Midwives and Health Visitor” co-operates with the voluntary workers, and the Medical Officer of Health in his annual reports warmly acknowledges the work of the society, both in saving the lives of babies, and in interesting the mothers in their later development. The informality of the system combined with its efficiency is its great recommendation. It seems an object-lesson in the right amount of co-operation between official and unofficial work, with the minimum of cost. A total net outlay of £54, including £20 specially subscribed for milk, is not a large annual expenditure on the care of over a thousand babies and their mothers.

Emerging from this stage of life, during which the gratuitous visit of the public vaccinator may occur, the normal child develops for two or three years without further connexion with outside “agencies” except that it may possibly be made a member of the Provident Dispensary or of a Friendly Society, while its life will

¹ Report of Sanitary Aid Association, 1910

almost certainly be insured. When it is between three and five years old, it begins to go to Sunday and day school, the latter at a yearly cost to the community of "£3 15s. 6d. gross or £1 14s. 8d. net" throughout its school career. At the same time, it is inspected by the medical officer of the education committee, and his report, which may or may not be regarded, is sent back to its parents. The teachers, at least, do their best to carry out his instructions for the child. The official Lady Health Visitor goes to the homes of children reported to be in a really bad state of health, and gives the parents instruction on their treatment. If a child is crippled or very delicate, it may pass under the care of the Invalid Children's Aid Association, which in 1908-9 looked after forty-five such children, sending some visitor to teach and befriend them. If it falls ill, it can be attended without payment by the district nurse, or by its family or club doctor, or it is sent up to the Radcliffe Infirmary, whose almoner may now come to inquire after it, when it returns home. If it is very seriously neglected by its parents, the local inspector of the National Society for the Prevention of Cruelty to Children intervenes. (He dealt with seventy-four such cases in Oxford during 1909.)

If its parents are poor, it will have the chance in winter of receiving a few free dinners through its school at the Penny Soup Kitchen (there is no direct provision for such feeding by the education committee), and kindly organizations provide it with occasional unexpected public teas. It may get clothes through the new Police Aided Association for clothing Poor Children, which, according to the last report of the Chief Constable, had given complete or partial outfits to nearly two hundred boys and girls. Its Sunday school, too, may provide it with warm garments.

Beside these practical benefits, and beside the influence of the weekday and Sunday schools, many other forces are prepared to mould the child's character. He or she may be a member of a Band of Hope (about one-third of the eligible children appear to have been enrolled in 1909) or of the Co-operative Guild, or the juvenile branch of one of the friendly societies, which give considerable training in self-reliance. A little girl may also belong to some children's parochial guild, or to the G.F.S. candidates, or to the classes held by the Happy Evenings Association, or to

a swimming class ; while her brother may join the church choir or the Boys' Brigade, or become, with apparent rapture, a boy scout.

All these activities are probably excellent in themselves, though if carried to excess, they tend to confuse a child's mind between their conflicting claims, in addition to the "home work" which most schools expect, and the care of the baby or the washing-up and errands that may be required at home. In this way the world outside home and school may appear solely as a source of preparation for what the children call "concerts," culminating in periodical teas. These guilds give a great deal of pleasure (as well as trouble) to all who have to do with them, and they develop the child's interests apart from the compulsion of the day school, and do something to create that *esprit de corps* in which the elementary school child is apt to fail. But it is a pity that the different children's organizations do not know more about each other's work, and especially that the work of the day schools is not more understood, now that their aims are becoming yearly more comprehensive.

When the boys and girls leave school at thirteen or fourteen, after another medical examination, the State and municipality care for them no more, except to limit, in moderation, the number of hours that they may work, and to provide them with evening continuation classes for which under present conditions they do not greatly care, and probation officers to look after them if they get into "trouble." They do not generally know what work they want to do, or if they know their wishes, they often have to wait for a vacancy in the desired trade. Gradually they find their level, through the influence of their companions or of their employer, if the latter takes an interest in them ; but meantime they are very apt to drop out of all that the community has provided for them before. It is at this stage that private help can be valuable.

The following are the means at hand for helping them in Oxford. There are apprenticeship "charities" administered by the parishes and the city trustees, to the value of about £200 a year, which have started in life generations of equally undecided boys and girls. They are much appreciated, though they cannot help very many young people annually, and their existence helps to keep alive among employers the system of asking for substantial premiums.

from apprentices and giving very low wages without them. Some grants are made from similar charities for "advancement in life," and for education at secondary schools and at college. Then there are the evening continuation and technical school classes, supported by the rates and taxes, and to a small extent by the students' fees. In the winter of 1908-9, the former had about 250 and the latter 371 pupils between the ages of thirteen and twenty-one in nominal attendance. As over 600 children leave the elementary schools yearly, the proportion of those who continue their education is not high; but many boys and girls work so late that it is very difficult for them to attend these classes even if they wish to do so, and the streets of a university town offer many counter attractions in the evening. It is lamentable, however, that so little encouragement as at present should be offered to their attendance.

To help boys, and to a certain extent girls, to find suitable work when they leave school, an employment committee, the "Council for Industrial Advancement," has been working for two or three years on the lines of the central Skilled Employment Association. Even in a town the size of Oxford, there is a great deal to be done in fitting the right boy into the right place, and in securing that, because *e.g.* the father works all day and most of the night in mending shoes, or the widowed mother goes out charring and knows nothing about trade, a boy shall not drift, but find some definite work and—a much harder problem—keep to it. The registry of the Girls' Friendly Society does this on a different scale for girls. And there are two or three training homes for service, though it is difficult to induce the poorer type of girl to enter these, or to aspire to any form of domestic service, except as a "day girl."

There are in existence at present about twenty clubs and religious guilds of different kinds, including the Girls' Friendly Society and two branches of the Young Women's Christian Association, which give evening occupation to some girls, but not to nearly enough. Many girls work too late to go to a club, and many respectable parents have an almost morbid fear of letting their daughters out at night. There is not much approach to intellectual interests in these clubs, for the Oxford girl of the lower class opposes a resolute resistance to instruction. But they give their

members friendship and much happiness, and keep them under personal and religious influence at a period when they are having a very hard time, physically, and often morally. Till lately the different clubs have worked as so many units in almost complete ignorance of each other, but there is at present a movement for their extension, and federation.

For boys, also, from the errand-boy stage onwards, there are a certain number of parish and congregational clubs and guilds, beside the Oxford Institute (111 men and boys) the Balliol boys' club (60 regular members), and the Young Men's Christian Association. There are also the different units of the very prosperous Lads' Brigade, and the Boy Scouts, an organization which here, as elsewhere, calls down an almost alarming shower of blessing from parents and employers as well as from the scouts themselves.

All these institutions cry out for more good workers, but even at present there is no real difficulty in any boy or girl getting help from some of the outside forces, Church, Chapel or secular, which are ready for them if they choose. Many, however, do not belong to any of these groups, or only spasmodically. They are, of course, entirely indifferent to the theory of any organization, as compared with the personality of the man or woman who happens to be connected with it.

At eighteen to twenty the girl begins to outgrow the assistance offered her since she left school. Soon she marries probably, and it becomes very difficult for her to take part in the outer world, and feel herself a citizen, much less a member of an empire. Mothers' meetings connect her with Church or Chapel, not improbably with both, and the Mothers' Union possibly links her to a larger body, while she learns from countless visits, that many persons, known and unknown, are deeply interested in the physical, mental, moral, and spiritual welfare of herself and her children, and to a certain, but much smaller extent, in that of her husband. She probably controls the thrift of her family by looking after their payments on various collecting cards, for clothing, coal, etc (the Oxford Clothing Charity held last year on its book the names of 470 women whose weekly savings were supplemented by a considerable bonus, towards the purchase of clothes and blankets),

the Co-operative Guild with some of the Free Church organizations afford scope for intellectual interests, while two or three female branches of friendly societies, and two women's benefit societies give excellent experience in self-government. But these latter affect the woman of the small shop-keeping and artisan, rather than of the labouring class.

The boy, on the contrary, as he grows to manhood, has little difficulty in taking his part in social efforts, political, industrial, provident, or religious. Trade societies are not very strong in Oxford as a whole, though most employers are said to work more or less by their rule. But they are strong enough to give experience in administration, as do the Co-operative Society and the branches of the orders of Foresters, Oddfellows, or Sons of Temperance. After his day's work, a man can expend his social energies among his equals, in the management of his political or athletic club, his allotment association, or his friendly society, while his wife, in the intervals of looking after the house and children, receives the calls of the "baby lady," the district visitor, the Sunday school teachers, the club lady or gentleman, the rent collector (professional or voluntary¹), the insurance agent, the suffrage and anti-suffrage canvasser, the school attendance officer, or the man who wants to sell a sewing-machine on the monthly instalment system.

In old age, the organized efforts of the community are again brought to bear in some form on both man and woman. He may receive a pension either from his Friendly Society, or, possibly, from his Trade Union. If he has not made provision for his later years, perhaps because he has not been strong enough to join a club, and if his children cannot support him, he may obtain a pension through some of the City or parochial endowments—about a hundred old men and women were so provided for in 1909—or possibly through the Charity Organisation Society, if his past record is good. In any case, he looks forward to a Government pension at seventy (nearly a thousand of these had been granted to Oxford people by January, 1910). If he is destitute before this, he must apply to the poor-law officials, when he will probably receive from local instead of imperial

¹ The Sanitary Aid Association manages about a hundred small workmen's cottages through lady rent-collectors, on the system founded by Miss Octavia Hill.

taxation an allowance of from three to five shillings a week. One union at least puts little pressure on the recipient of parish assistance to accept indoor rather than outdoor relief, but if his means are obviously inadequate, or if he is ill and cannot get proper attendance, he is induced to come into the workhouse, where with other old men he leads a well-regulated life of comfort and dullness. The rates may pay for his funeral, but if it is at all possible, even if all other forms of thrift have been neglected, he or his relations will provide against this necessity.

So he passes through the different stages of life, society with one hand placing a great many difficulties in his way by its industrial organization, and with the other trying to put matters right again. If his career is normal and prosperous, he will need little material help from the community beyond his share in the ordinary public services, for which he pays a certain contribution in rates and taxes. It is in the abnormal conditions of distress that his fellow-citizens can, and do, really assist him. But it needs all the help of good sense and scientific training—and religion—to do this well.

There is first the case of sickness; and the present state of medical assistance in Oxford illustrates so completely all the contemporary theories of such relief, that it may be described at some length.

A sick person has little difficulty in obtaining medical treatment, either very cheaply, or free. The doctors, here as elsewhere, are very good in treating poor patients at very low rates, and many people, careful and provident in other respects, nurse their families without advice in minor complaints, and pay the doctor's fee, of, perhaps half a crown a visit, when they have to call him in for a serious illness. This is comprehensible, but obviously imprudent, and all the "provident" clubs exist to prevent it. A large proportion of the population belong to the great Friendly Societies, which give liberal sick pay, and in most cases medical attendance. Some of the parish clubs and Trade Unions do the same. Membership of most of these involves a subscription of at least 6d. a week, for different benefits.

Next to the work of the Friendly Societies, comes that of the Provident Dispensary. This is almost entirely self-supporting

and provides medicine and medical advice for a weekly payment of 1*d.* per member, or 3*d.* for a man and wife with their children below fourteen years of age. Members can see their doctor either at two centres in the town, or, if necessary, at their own homes. Men sometimes join the Dispensary in order to supplement the sick benefits of their club, and it also provides for a much larger class of men and women who cannot from poverty or ill-health, or will not from dislike of paying out 6*d.* or 1*s.* at a time, join one of the national Friendly Societies. The Provident Dispensary had 6587 members in January, 1910.

If a man is seriously ill, and has made no provision for a doctor, or if his case is so serious that it cannot be treated at home, he gets from his employer, his clergyman, or district visitor, a subscriber's "turn" for the Radcliffe Infirmary, the medical centre of the district. Here he receives excellent treatment either as an in or out-patient, though the distance from the newer parts of the town to the infirmary and the inevitable waiting for advice are somewhat deterrent. During the year 1909-10, 931 in-patients out of a total of 2115, were Oxford cases. Over 8000 out-patients were treated, and the total working expenses of the hospital were a little over £10,000; but it is not possible exactly to distinguish the share either in the total cost or in the out-patients' benefits of Oxford and the surrounding counties from which many patients come. On the whole, it seems to be thought that the use of the hospital is not much exploited by the well-to-do, though there are a considerable number of patients "on the line" who could well make at least partial provision for their illness if they chose to do so. The infirmary committee have during the past year had the services of a voluntary almoner,—now appointed officially to the position,—whose work it is both to supervise the home treatment of hospital patients, and also to inquire into their circumstances, with a view, if necessary, to persuading them to join provident clubs. About one-third of the in-patients and a large proportion of out-patients were admitted last year without subscribers' turns, on grounds of urgency; but the existence of the system of admission by "turns," though in practice it works well on the whole, limits the action of the hospital authorities in dealing with doubtful cases.

In 1909, 1060 Oxford patients were treated at the eye hospital. To this admission is free, without turns, but full inquiries are made into the patient's circumstances, and he is expected to pay if possible, at least the cost of his keep, if he becomes an in-patient. (£200 was thus paid directly for in- and out-patients in 1909) The hospital can take in 32 patients at a time, but a great part of its work consists in giving free advice. Children, sent up by the Medical Inspector of Schools, now receive an increasing share of its treatment.

There is also the homœopathic dispensary, which had 1004 applications for advice in 1909. A charge of sixpence is there made for drugs on each application, but advice is given gratuitously, and the dispensary physician visits patients at their homes without charge, though (nominally) they must produce a subscriber's order for such attendance.

If necessary, the Surgical Aid Society will help to buy instruments for patients on the doctor's order. These are paid for partly by the patient, partly by subscriber's "letters." The society helped 209 city and county cases in 1908-9, but its funds are sorely tried by demands for spectacles from the elementary schools, and for dental treatment, without a corresponding increase of subscriptions.

A considerable number of patients, after hospital treatment, are helped, freely or with only partial payment, to go to convalescent homes either from the infirmary, from which 160 patients were thus sent away last year, or through the C O S. The latter, which receives subscribers' letters for many such institutions, and has much specialised knowledge of the tardy and difficult process of admission to them, gave hospital or convalescent treatment last year in 120 cases. This number includes, beside tuberculous patients, many who were not recovering from definite illness but were "run down" from overwork and other causes. Such prevention of illness is quite as valuable as the cure of hospital patients. There are still very many people, especially girls and mothers of young families, who live in a constant state of avoidable ill-health, from want of occasional rest and change of air.

The Medical Dispensary and Lying-in Charity, a foundation of the beginning of last century, is largely supported by the poorer

parishes through their clergy, and by local tradesmen for the benefit of their workers and families. In the year 1909-10, 1829 patients were treated, if necessary, at their own homes, without payment, on production of "turns" from subscribers to the institution. These are much in demand.

If a person has made no provision for himself, can induce no one to give him a "turn" of this sort, and urgently needs medical help, he must apply to the relieving officer for an order for the poor law doctor. The latter will, if necessary, visit him at his own home, and may order him medicines and medical comforts, such as beef tea, at the expense of the rates

This concludes the means by which the sick can see the doctor at their own homes. The doctor's visits may be supplemented by those of the district nurses—much beloved—who paid 45,000 visits last year to over 1000 patients. Patients occasionally pay small sums in gratitude for their help, but in ordinary cases of illness their attendance is almost entirely free. Their association depends chiefly on subscriptions, supplemented by a grant from the old municipal charities. The nurses do not, however, think that they are often called in by the class of patient who could afford to pay for help

All but one of the above forms of attendance in sickness are obtained either through payment by the patient, or through voluntary "charity." The one exception, the visit of the district medical officer, leads on to the final class—that of compulsory assistance out of the rates. There is first the very comprehensive work of the Medical Officer of Health, with his eye on all infectious illness, sufferers from which, in the case of scarlet fever and diphtheria, are swept away to the municipal Isolation Hospital. One hundred and ten persons were so treated last year, without payment on their part, as their removal was compulsory. Akin to this is the free fumigation of infected premises by the sanitary inspector's officials, and the issue of free disinfectant, the use of which is extremely wholesome in many of the old and ill-built cottages of the town—although their occupants are tempted to treat it as a gratuitous substitute for soap. This is preventive work which the community undertakes in self-defence. The Medical Officer of Health also inspects the school children

for the city education committee, examining them at the beginning and end and near the middle of their school career. Much valuable information is thereby collected, and a certain though rather inadequate proportion of the recommendations made after the inspection are carried out. The indirect effect on the parents' general interest in their children's health is probably greater than the direct results.

Lastly, there is the treatment of the ordinary non-infectious case by the poor law medical officers, to whom we alluded above. There is so much cheap and free doctoring, and the Provident Dispensary is so satisfactorily popular (on the whole), that there is comparatively little demand for medical out-relief. In the year 1908-9 the doctor of the Oxford City Incorporation visited only 257 out-patients, while the doctor of the Headington Union visited 354 city patients in 1909. Such help does not disfranchise, nor does it necessarily involve an appearance before the guardians. Neither Board "makes a principle" of giving medical relief by way of loan, although repayment of fees is occasionally insisted on. The final resort is the workhouse infirmary. In 1908, 252 patients passed through one of the two institutions in which the Oxford citizens have a share. Most of those who go to them are not of the class that would be suited to the hospital. They are often old or bedridden people whom their relatives either cannot or will not nurse properly. Once in the workhouse walls, they are well looked after. Perhaps a few more destitute cases might well be sent to follow them, but the rate-supported infirmaries work on a small scale and do not compete, as in other places, with the voluntary institutions.

Thus we have examples of nearly all the methods by which medical attendance is now obtainable in England; methods which range from independence and individual payment, through many gradations of partial providence and charity, to the other extreme of compulsory public provision. In addition to medical help, most parishes expend a portion of their offertories in small grants for special food or firing in illness, and one of the oldest charitable organizations in the city, the "Benevolent Society" (founded 1823) supplements the funds of the poorer parishes by similar grants in winter. So many sources of help in sickness are

at hand that there is not much incentive to foresight among the poorest classes, and yet, in spite of all, there is very much quite unnecessary ill-health. The preventive work of educating public opinion and improving conditions of life seems the most hopeful means of progress.

We may consider next the treatment of the person with mental or physical afflictions which are more or less permanent. For the insane the rates and taxes supply an asylum. The school for feeble-minded children which the city used to provide has lately been closed, but special classes for such boys and girls are now being started. There is a privately supported laundry home for feeble-minded girls just outside the city, beyond this, there is no provision for them, and there is none at all for feeble-minded boys, who either hang about at home or are sent to the Workhouse, or, at a cost of 8s. to 10s. a week, to a distant farm colony. Their condition is a pressing question, in Oxford no less than elsewhere.

There are over fifty blind people in the town who are looked after by the Society for the Blind, which teaches them trades, and lends them books in Braille. And there are the consumptives, for whom again it is felt that much too little is done, and for whom great efforts are being made to secure a sanatorium within reasonable distance. The names of phthisical patients who come into contact with the poor law are now notified (for supervision) to the Medical Officer of Health. This, however, only applied to twenty-eight people in 1909. There were seventy-six deaths from tuberculosis in the city during that year. Patients and their friends are slowly learning to take precautions against spreading the disease, but little as yet is done systematically in this most important educational work.

What is done for the unemployed? They receive a good deal of help in the first place from the parishes and free churches. The Church Army gave 1356 days' special work to married men in Oxford in the winter of 1908-9, a few were helped to emigrate, the Provident Needlework Society helps some families in winter by giving sewing to the women. The municipality has for the last two or three winters opened a labour register for the unemployed, and during last winter a very considerable amount of work was thus found for those who registered, under private employers,

and in municipal road mending and making, specially postponed for the purpose. In Oxford far the larger amount of winter unemployment takes place in the building trades, in which the wages paid fully admit of some provision being made for the bad season. Apart from those whose work must be stopped by rain or frost, it is the man permanently on the "margin of employment" who is turned off in winter, the workman who, from some defect in body, mind, or character, is barely worth a wage in good times. Obviously, it is undesirable to subsidize, without stimulating, the "marginal" man to whom Oxford social conditions already give too much encouragement. At present his troubles are relieved by increased activity on the part of all the different charities and agencies which, together, just tide him and his over the hardest time. This, however, does not encourage energy and providence on the part of the workman; nor does it enforce on the employer and customer the desirability of spreading work as far as possible evenly throughout the year.

There is one quite different and more remediable class of unemployment, that of widows left on their husband's death with a young family to support. Such women, if their friends cannot help them, are primarily the care of the poor law; but in many cases where the woman seems likely to become self-supporting, or where her circumstances appear to warrant special treatment, the C O S will take up her case. The committee will then secure her an adequate allowance in the first instance, will find, and if necessary train her for, work, and encourage her through its visitor to keep to this, while helping her, if necessary, in the support of her children. Suitable cases are periodically referred by the guardians to the C O S for such assistance. If the committee of the latter is not able to undertake them, they will receive grants of out-relief on a varying scale from their Board of Guardians. One union has a flourishing poor law school to which it often persuades a widow to send some of her older children, while the other assists chiefly through very moderate grants at home. In either case, the woman is helped, if possible, to find such work as she is able to do.

The forces just described aim primarily at relieving visible misfortunes in mind, body, or estate. Next comes the group of

societies which aim directly at reclaiming "bad" people or preventing their becoming bad. This is indeed the ultimate object of most of the agencies public and private, including, of course, the churches and their workers, but in certain branches, the work is probably best done by specialists. Thus there are the temperance societies which work among the young by leagues of various names, and among older people by meetings large and small, while a paid agent of the Church of England Temperance Society visits a large number of intemperate women at their homes in order to reclaim them by personal influence. Springing from the C.E.T.S. is the Police Court and Prison Gate Mission, the officers of which attend the petty sessions as recognized police court missionaries, and act as probation officers for cases sentenced under the First Offenders Act. They had fifty-one men and women and boys under supervision in 1909. There is now a home in the town under the Police Court Missionary, for twelve such boys, and there is a rather similar shelter for women and girls to which they can come on discharge from prison or when in special difficulties. The Church Army has a men's Labour Home and boarding-house, while the Salvation Army, with a nucleus of some three hundred fully enrolled "soldiers," carries on its own courageous warfare. For girls from bad or very poor homes, there is the Association for the Care of Friendless Girls, which supports on the one hand a training home for quite young girls, and on the other a separate branch of rescue work. Two other institutions, the Penitentiary and the Refuge, also carry on this latter work.

The whole record of official and private effort seems to indicate that the city community, like other modern cities, recognizes very fairly its responsibility for its members. The mere enumeration of those who compose the special committees of the City Council, of the Boards of Guardians, and of charitable societies, beside all the workers connected with church and chapel, shows how many people there are who want to help their neighbours, not from "fussiness" and condescension, but from the most genuine motives of religion and humanity. There is so much the more need for organizing their efforts. Oxford is not at present pauperized, and its "morass of destitution" is neither wide nor

deep, thanks in part to the example of a strict Board of Guardians, and in the past at least, to the influence of a few enlightened men and women among the charitable societies. There is not much overlapping among official agencies, because they work on a small scale, and recognize each other's sphere. But there is much overlapping among "charities," and a good deal between charities and the poor law, the administrators of which, except for an informal understanding with the C.O.S., have little systematic communication with the many agencies of later date in their area.

"Public assistance" in its present form, involves a large outlay of money, and still more, of time and effort. Are these sums of money spent in the most effective way, especially in the work of administration? Could the expenditure of time and labour be economized and made more productive than at present? The question involves an estimate of the effect produced equally upon the personality of Mrs. X, the mother of seven, by continual visits from different "centres of amelioration," and upon that of the visitor who discovers him or herself to be the eleventh volunteer inspired by enthusiasm for humanity to help Mrs. X. in the task of bringing up her children. And it is worth consideration, because a description of what is taking place in Oxford would apply equally to many other places. The presence of the University indeed makes the conditions of employment to some extent peculiar to the city; but in scores of towns at the same hour the same type of officials are compiling municipal statistics, similar district visitors are standing on the doorsteps of the poor, similar charitable societies are urging their volunteer workers to businesslike methods. The problem of poverty is essentially the same in all such towns—in those, let us say, with a population of 30,000 to 80,000. Its treatment is, or ought to be, much less baffling than in the large urban area.

There is now in Oxford a central register of "cases" known to the different social workers, to which a certain number of societies contribute. This, it is hoped, will before long expand into the register of a complete association of charities, which, pending further legislation, will centralize and co-ordinate all existing means of assistance in the city. At present, official and unofficial agencies are doing similar work with similar implements,

but often with no very coherent aim. Recognition of the common background to the kindred groups of work, and more trained co-operation between the workers, instead of making their efforts more mechanical, should give wider scope for the interplay of personalities on which all work for other people depends. Such organization is chiefly a matter of expediency, and its objects are modest and limited. It will, however, at least clear the way for those who hope to improve the world either by influencing character or by changing external conditions—the representatives of two distinct schools of social reform whose work is really inseparable. Their combined efforts should then be more worthy of the dignity of the human material upon which they are brought to bear.

C. VIOLET BUTLER.

MUNICIPAL ENTERPRISE IN GERMANY.

IN the whole field of economics there is no more important department than the comparative study of economic policies and economic institutions. Any group of phenomena observed in relation to one country alone is extremely liable to misinterpretation, national characteristics and irrelevant political considerations cut across the main stream of economic development, with the result that temporary and accidental tendencies obscure those which are of permanent importance, and that generalization becomes at once more difficult and less illuminating. For such a comparative study there is no better subject than the local government of countries which have to meet much the same economic needs, and a writer who could set side by side with each other the organization of the chief local services in England and Germany, and compare them piece by piece, would render a valuable service both to political speculation and political practice. Unfortunately nothing so ambitious can be attempted in this article. On many important aspects of German town government the writer must confess himself still quite in the dark. He cannot compare the merits of the bicameral system which obtains in so many German towns with those of the English single council. He cannot say what are the exact effects of the elaborate electoral arrangements which in most German towns give an overwhelming weight to the vote of the propertied classes. He has no light to throw on the relation between local and central authorities, or on the crucial question of how German cities acquire the power to undertake new services and experiments, which in England have to be obtained by the dilatory and terribly expensive procedure of Private Bill legislation. What can be attempted in these pages is really nothing more than a description of certain salient

facts of German municipal enterprise, and a description which, owing to considerations of space, must be presented largely in the summary form of figures

Such a statistical description leaves much to be desired. We want above all to understand the differences of policy and ideas, the divergent conceptions of human welfare and social expediency which lie behind municipal enterprise in Germany and England. Nevertheless, even a bare summary may not be without interest at the present moment. There are two subjects of which much has recently been heard. One is the relative progress of England and certain foreign countries, the other is the growth in England of socialism, and especially of municipal socialism. On the one hand the undoubted fact that certain great nations are supplying themselves to an increasing extent with goods with which we formerly supplied them has led, quite naturally, to the fear that we may be driven from the more remunerative and less arduous to the less remunerative and more arduous forms of industry. On the other hand, municipal enterprise is not seldom represented as a kind of traitor within the gates, which plays into the hands of competitors piling up enormous local debts, and so placing heavy burdens upon those engaged in industry in this country. Thus manufacturers are said to be suffering from the insatiable ambition of local authorities to supply services which should, and would in wiser countries, be left to competition, and the undertaking of which by public authorities discourages private enterprise. "It is evident," says Lord Avebury, "that the more we spend in rates and taxes, the less remains to be spent in other ways, most of which would go in wages." Again, in the words of the author of a work called *The Bitter Cry of the Middle Classes*, "The process has been insidious but deadly. . . They (i.e. industries) have been ruined in order that municipal enterprise may be carried on with wanton waste and heavy loss." Such a view, it may be said, discredits itself by its own extravagance, and is too absurd to need serious refutation. Nevertheless, there is undoubtedly an uneasy feeling in the minds of a large number of quite influential people that municipal enterprises are in the nature of a burden which loads the scales against English employers and English workpeople, and have been undertaken, in

defiance of the common sense of the business community, under the influence of the propaganda of a few crafty collectivists

Now there are several ways of testing such a position. One might ask those who maintain it to refer to the publications of the Local Government Board and of the *Municipal Yearbook* to see that prices and fares are on the whole lower under municipal than under private management; one might point to the fact that municipal undertakings hand over a considerable profit to the rates; one might emphasize the statement made by the Local Government Board in its last report on public health and social conditions to the effect that "Probably the bulk of the capital debt shown in the table belongs to undertakings producing a revenue which covers the cost of working, and permits a substantial contribution to the redemption of the capital debt." But there is another way in which one may approach the question, and that is to show that, so far from being unique in the extent to which she has pushed municipal enterprise, England really falls considerably behind another country, with whom she is spoken of as in close competition. It is the aim of this article to suggest that, as matter of fact, municipal socialism has proceeded to greater lengths in Germany than in England, and that middle class and wealthy Germans, so far from regarding it as an evil, have been the main agents in putting forward the policy. It may be that, in so far as Germany is a menace to England, she is a menace precisely because she is by wise public action building for the future.

LOCAL INDEBTEDNESS IN GERMANY.

A survey of municipal government in Germany shows that, as far as municipal undertakings go, almost exactly the same features are visible as in England. Take first the question of municipal indebtedness. The English ratepayer who regards municipal indebtedness as a millstone round the necks of English authorities, instead of being what it is in the main, an exceptionally profitable investment in quite unusually remunerative undertakings, may be comforted to know that he is not alone in his affliction.

The amount of the indebtedness of German towns per head is slightly, though not noticeably, less than that of English municipalities. This is apparent from the following table —

	Indebtedness per head			
	£	s	d	
13 English Boroughs with more than 200,000 inhabitants	20	09	0	0
19 English Boroughs between 100,000 and 200,000	14	0	0	
German Gemeinde with more than 200,000 inhabitants (except Berlin)	17	1	4	
German Gemeinde with between 100,000 and 200,000	14	7	4	

Thus if Berlin is excluded on the one hand, and London on the other (neither of which are among the more heavily indebted towns of their respective countries), it appears that the indebtedness per head is slightly larger in the case of the English towns over 200,000, and slightly larger in the case of the German towns between 100,000 and 200,000. Between individual towns there are wide variations. No German town seems to come up to Manchester with its municipal investment of £36 per head. But Frankfort am Main has a debt of £28 9 per head, which exceeds any English town except Manchester (though Birmingham runs it close), Munchen has £25 15s 6d, Charlottenburg £24 5s 2d, and Dusseldorf £26 17s. As neither Frankfort, Dusseldorf, Munchen, or Charlottenburg, are usually supposed to be bankrupt communities, it may console the nervous Londoner who thinks of his city as staggering to run beneath the burden of recklessly accumulated debts, to realize that the least "heavily burdened" of these has a debt of £6 per head more, the most "heavily burdened" a debt of £10 more per head than London. Moreover, not only so, but the debt of German communities has in the last twenty-five years been increasing much more rapidly than that of English towns, and increasing very much more rapidly than their population. The total indebtedness of English local authorities rose from £173,208,000 in 1884-5 to £482,984,000 in 1905-6, an increase in twenty-five years of 178 8 per cent. Exactly comparable figures for Germany are unfortunately not forthcoming. But the total indebtedness of German Gemeinde with a population of more than 10,000 rose from 771 3 million marks in 1881 to 5295 million marks in 1907, an increase of about 686 per cent in twenty-six years, or over three times as fast. In short, whether a rapid growth of municipal indebtedness is good or bad, it is certainly wrong to speak as though it were something peculiar to this country, and attributable to the extravagance of English local authorities. On the contrary, the facts are precisely opposite.

The actual amount of local indebtedness per head varies very little in England and Germany, and the German local indebtedness has probably been growing faster than that of English local bodies.

REPRODUCTIVE UNDERTAKINGS OF LOCAL AUTHORITIES.

If one turns from the growth of indebtedness to look at the particular services undertaken by German towns, one finds that most of them render all the services which are offered in the way of municipal trading in England, and that some of them perform a good many more.

The following table compares as far as it can the services offered by the fifty largest English and the fifty largest German towns. It is not quite up to date, being based on the *Kommunales Jahrbuch* for 1908. Looking at this one finds the following results :

Out of 50 largest English Towns			50 German Towns
39	own	their own water supply	48
21	"	" gas	50
44	"	" electricity	42
42	"	" tramways	23
49	"	" baths	48
44	"	" markets	50
23	"	" slaughterhouses	43

England, therefore, is ahead in tramways, in electrical undertakings and baths. English and German towns are about equal in water, gas, markets, and slaughter-houses, municipal enterprise in Germany has considerably outrun municipal enterprise in England. Moreover, these businesses, which nearly exhaust the list of the enterprises of English towns are only a few of those undertaken by German authorities. Nearly all German cities maintain local labour exchanges; nearly all of them maintain savings banks, which correspond to our Post Office Savings Bank, and are, in Germany, under municipal management; twenty-seven out of the fifty towns which I have mentioned maintain municipal pawnshops, which are simply poor men's banks under municipal management, which protect men who resort to them against the usurious rate of interest which is often charged by the private pawnbrokers in England. A considerable number—how many I have been unable to ascertain—manage not only, as in some English towns, municipal orchestras, but also municipal theatres (there are only two in England), where good performances are

given at a cheap rate. In addition to this many towns have launched out on their own account in undertakings which are exceptional Magdeburg, Frankfort, Dusseldorf, Munchen, and probably many others, manage a municipal wine business Munchen has a forestry department to administer the town forests, a town decorating department which plants the streets with trees, a department for buying coal and wood in bulk and retailing them to public institutions Munchen and Freiburg 1/B own papers, that of the latter is used not simply for official notices, such as the advertising of the demand for labour and the condition of the labour market as revealed by the labour exchange, the advertising of the town theatre, the town concerts and so on. it also has foreign information, and quite good articles on matters of educational and economic interest Naumburg paves its streets with stone from its own quarries, and in 1901 established a municipal orchard, which is officially described as designed "not to supply the general needs of the population, but simply as a speculation to increase the income of the town." The town of Dusseldorf, in order to encourage building and so diminish overcrowding, has established a municipal mortgage bank which has lent already £1,050,000 in loans to builders Most remarkable of all, with a view to making the community as a whole share in the wealth accruing from the commercial development of the neighbourhood, Dusseldorf as a town has started a fund of public money, called the "fund for participating in industrial undertakings," which is simply a sum of money to be used for investments in profitable businesses According to the last report of the Chief Burgermeister the town now holds more than half the small capital invested in the local Rhine railway; a little over £250,000 out of a capital of £500,000

GERMAN TOWNS AS LAND-OWNERS

It would be possible to multiply examples of the way in which German municipalities have pushed public enterprise forward, going far beyond the limits usually accepted in this country by even a progressive municipality But perhaps the most remarkable example of German municipal initiative is given by the dealings of German towns with land Certain towns in Germany

to-day hold land outside their walls, which has come to them from the Middle Ages. At the beginning of the nineteenth century, for example, the town of Nurnberg, as was to be expected in a Free Imperial town, held great tracts of land; from the castle the citizen could look over a small province which belonged to the town, and which was not alienated till 1811, when it passed to the state and kingdom of Bavaria. Frankfort, in 1803, acquired about twenty-five acres of vineyard from a dissolved Carmelite monastery, which it still holds, between 1390 and 1400, it got a grant of between 7000 and 8000 acres (3372 ha.) of forest land, which it has held ever since, and from which to-day it gets an income of about £8000. The visitor to the little town of Freiburg i/B can travel on a tram to a village two miles outside it with town meadows on the one side and town forests on the other, and then climb the second highest hill in the Schwarzwald passing the whole time through miles of town forests, and meeting few except the foresters employed by the town council. But this type of property, which in most cases is a survival of ancient glories, is not the most important. Much more significant is the policy which German municipalities have been pursuing during thirty years of equipping themselves with municipal estates by the purchase of land.

The keystone to the policy of German municipalities in dealing with the housing question is that the town authorities should acquire as large a proportion as possible of the area on which the town stands, and that they should acquire it before the value of the land is forced up by the growth of population and extension of the town. When they have got it they do with it what the interests of the town dictate. They can set part of it aside for public buildings, and thus escape the appalling waste of public money which results from buying land for schools, or offices, or water-works, or gasworks, when the price has reached starvation point. They can make part of it into pleasant gardens and open spaces, or let it out, as at Magdeburg, for market gardens. They can, if they think fit, work it themselves, or finally, they can part with it when the price rises and use the profits to buy more, binding the builder to whom it was sold by stringent bye-laws not to overcrowd the site, or even keeping the right of repurchase in their own hands, as at Ulm and elsewhere.

One may illustrate these statements by reference to the land policy of particular towns. First, then, German towns make a point of purchasing land and holding it. The *Jahrbuch der Deutschen Städte* for 1909 gives the following figures of the proportion of their own area held within the town boundaries by forty-one towns, including land belonging to endowed trusts under the control of the town. The figures are exclusive of land owned and used for roads, streets, railways, waterworks, and fortresses.

	1901-2	1906	1907
	per cent	per cent	per cent
Ulm	—	80	—
Freiburg 1/B	—	74.6	72.0
Frankfort a/M	57.8	59.8	61.0
Augsburg	53.7	54.6	55.2
Spandau	50.8	48.3	48.6
Manheim	—	39.6	45.8
Strassburg 1/E	47.5	—	40.7
Breslau	23.1	32.9	35.6
Wiesbaden	—	35.1	—
Mainz	29.1	—	34.3
Darmstadt	—	33.1	33.2
Cöln a/Rh	17.8	23.3	23.8
München	20.6	26.6	28.2
Stuttgart	34.7	27.3	—
Karlsruhe	13.7	19.8	24.8
Hannover	44.0	43.8	23.5
Essen	—	22.4	22.9
Frankfort a/O	—	21.8	21.8
Düsseldorf	—	18.1	19.5
Chemnitz	20.7	19.1	—
Halle a/S	18.2	—	18.5
Dortmund	16.9	17.6	17.9
Liegnitz	—	17.6	17.6
Altona	15.1	15.2	15.3
Metz	—	15.6	14.8
Mülhausen 1/E	—	14.6	14.8
Königsberg 1/B	—	12.7	14.0
Zwickau	—	13.4	13.6
Posen	6.1	8.9	13.1
Gorlitz	11.4	12.7	12.7
Elberfeld	—	11.8	12.1
Cassel	22.8	11.0	11.7
Crefeld	4.3	17.2	11.7
Barmen	2.1	11.3	—
Erfurt	—	—	11.2
Danzig	17.8	11.8	10.8
Charlottenburg	4.2	10.0	10.2
Nürnberg	8.3	9.6	9.7
Gelsenkirchen	—	5.8	8.3
Potsdam	7.7	7.9	7.8
Bochum	9.2	6.1	6.3
Braunschweig	—	5.8	5.9

What these figures show is, that in 1907 four towns in Germany owned more than half the area within their boundaries, seven owned between one-half and one-third, three between one-third and one quarter, four between one-quarter and one-fifth, four between one-fifth and one-sixth, thirteen between one-sixth and one-tenth, and five between one-tenth and one-twentieth. These figures are constantly changing, for towns are continually buying, and it happens pretty often that in any one year the sales exceed the purchases with the result that in that year the holding of land diminishes. On the whole, however, there has been a steady increase in the proportion of the town area which is in communal ownership. Moreover, the movement not only finds favour with the more progressive town authorities, but is also supported and encouraged by the State Governments. Take, for example, the Prussian Ministerial Rescript of March 19, 1901 "The evils which prevail at present," it says, "have their origin in unhealthy land speculation . . . and effective means of checking them are to be found in the acquisition of as many pieces of land as possible by those authorities whose continual growth causes the surrounding agricultural and garden land to be used, in ever increasing quantities, for building . . . the sale of publicly owned land to meet the housing problem may, indeed, temporarily result in the erection of more and cheaper buildings, but in the long run such a policy plays into the hands of the land speculator. *The sale of public land for the building of small dwellings can only be admitted, when the public authority retains the right of repurchase, or when some other satisfactory security is given that the land remains withdrawn from private speculation*" The Bavarian Ministerial Decree of April 12, 1901, takes much the same line when it declares that "ways and means must be sought and found which seem adapted to do away with overcrowded, unhealthy rooms, and to supply in their place healthy dwellings at reasonable prices. To attain this end public authorities are recommended to undertake the supplying of houses for their employees and work-people, to support with all their power philanthropic building unions and societies, to acquire . . . suitable areas of land." Nor is the policy of the Prussian and Bavarian Governments exceptional. On the contrary, the preambles to the building laws of Saxony, Baden, and Hesse, all

emphasize the need of municipal landownership, as indispensable both for social and financial reasons.

The advantages accruing to the citizens from the fact that so much land is held by public authorities, in other words, by themselves, are inestimable. The chief of them may be summarized under three heads *First*, when a German town wants land for public building, elementary, secondary, or technical schools, asylums, hospitals, prisons, barracks, offices, gas, electricity, or waterworks, it can be sure of obtaining it at a *fair price*. Every one knows that an English or Welsh municipality often has to buy land for such purposes at a price which is almost ruinous to the ratepayers. If, like German towns, they looked ahead and bought land when land was cheap, the ratepayers would not be compelled to pay extravagant prices for land, when land must be had for public purposes.

Secondly, the acquisition by a town of large tracts of land on its outskirts enables it to prevent rents rising as much as they otherwise would. When a town is growing rapidly, land on the outskirts is often kept off the market until it fetches a famine price, with the result that rents are high and overcrowding is inevitable. If a public body owns land, it can break down the high prices and keep rents low by selling or (which is better) letting its land before a land famine supervenes.

Thirdly, the possession of land enables the municipality to build workmen's houses, or to assist other societies to build workmen's houses, which can be let at a reasonable rent. The statement that municipal housing does not pay in this country is not true without some qualification. But in so far as there is any justification for it, that justification is found in the fact that land for housing schemes can only be obtained at a cost which makes it necessary to charge a rent too high for the poorer classes. But if the municipality owns land, this is less likely to happen. Thus, to give a practical example, in Frankfort some dwellings have been put up by a charitable trust, on which the municipality is represented. Three rooms and a kitchen with separate closets, and with gas, coal, the use of reading-room, and a patch of garden, are let at 6s. per week, while the company still made a profit of 5 per cent. to 6 per cent. on its capital. Why ?

The answer is simple. Because the building site was the property of the municipality, and the municipality let the company which put up the dwellings have the site at a reduced rent. Let the public authorities of this country acquire land when land is cheap, and they will be able to build good cheap houses, and build them at a profit. Moreover, the ownership of large tracts of land enables the town to make stipulations in the public interest as to its uses. Thus at Ulm the town in selling land stipulates that it must be built upon within a reasonable number of years. If the purchaser does not build upon it, or if he wishes to transfer the land before it is built upon, the town stipulates that it shall have the first option of repurchasing the land, paying the original price, plus 3 per cent. for interest. Ulm, moreover, has gone far in municipal housing. By 1906 it had built 175 houses with 291 flats for 1867 inhabitants, under the following conditions: the town constructs the houses, the purchaser pays the net price, 10 per cent. immediately and the rest in instalments with 3 per cent. for interest, and 2 per cent. for a sinking fund. In order to retain for the future the low prices of the houses, the town stipulates that at any time within the ensuing hundred years it may take back the houses for the original selling price (a) if a man is not able to pay the interest, (b) if he does not himself live within the house but sublets it, (c) if he wishes to sell the house. Moreover, when it owns land a public authority can insist on a certain standard of dignity being observed in the buildings, and in the maintenance of picturesque buildings, no small boon, as every visitor to Nurnberg would admit.

LANDOWNING AS A PUBLIC INVESTMENT

It will be said in answer to all this that the cost of municipal landowning and municipal housing is prohibitive, and that they force up the rates. Now high rates and good social conditions are better than low rates with bad social conditions. But if we could get good conditions and low rates, we should all want to see the rates kept down, and one of the chief attractions of the German policy of municipal landowning is that it keeps the rates down, while enabling public bodies to facilitate the healthy development of

their towns. In short, municipal landowning is the ratepayer's policy, because it gives the municipality a certain and growing source of revenue, and if ratepayers' associations in this country knew the elements of their business, they would attack not municipal enterprise but the private ownership of urban land. German experience is absolutely conclusive upon this point. Let me give one or two examples. In the year 1886 the little town of Freiburg in Baden owned 11,047 acres of land, which were then worth about $18\frac{1}{2}$ million marks, or £950,000. In 1909 it owns 13,000 acres, which are worth 64 million marks or £3,200,000, nearly four times their value twenty-three years ago. What is the result? *It is that 70 per cent. of the municipal expenditure is defrayed from the income derived from town property, and that local taxation is lower in Freiburg than it is in any other town in Baden.* Take another example. The town of Magdeburg for the last thirty years has regularly bought land when it was cheap, kept what it wanted for its own purposes, or what was necessary for the development of the town, and sold the rest to builders. Here are the particulars of the profits it has made. On the south side of the town it has spent about £300,000 in buying land at an average of 10s 9d (about) per square metre. It sold two-thirds of the land for £1,300,000 (roughly) at an average price of about £4 per square metre. On the north side of the town it bought land at an average of about 23s. per square metre and sold it at an average of about 43s per square metre. The balance sheet of the town extension fund, which has dealt with the south-western side of the town, may be summarized as follows —

	£
Receipts up to May, 1908	1,238,367
Expenditure	655,668
Net profits	.. 582,699

Finally, take the example of Ulm. Between 1891 and April, 1907, it bought 547 51 ha (1255 79321 acres) for 7,132,804 marks (£356,640 4s.). It sold 171 14 ha (388 63894 acres) for 7,909,730 marks (£395,486 1s.). In the course of sixteen years, therefore, it increased its net holding of land by 867 acres odd. It made a clear profit of £38,846, and it increased its income from leases by

£3213 odd a year. The truth is that the purchase of land is almost the safest investment of public money that can be found. The point is well brought out by a case in which the opposite policy was pursued. In 1884 Stettin was offered the Imperial fortifications for £300,000, it failed to obtain them, as it would only offer £212,000. In 1894 the Imperial Government sold part of them for £650,000, and still had a considerable part left in their possession. Ulm, on the other hand, bought the whole of the Imperial fortifications there for £225,000, and in 1906 was negotiating for the sale of one-tenth of the area for £50,000.

SOME CONCLUSIONS

At the end of this catalogue of rather dull facts, one may perhaps be permitted to venture on a few tentative conclusions. It has been shown that the debt, or rather the capital, of German municipalities is about the same as that of English towns, and has grown much more rapidly, that their public enterprises of a reproductive character, which are usually described as socialistic, are much more numerous, that the larger German towns manage all of the businesses at present managed in England, and that they engage as well in other kinds of enterprise which the most progressive English authority would not touch, and of which the most conspicuous is one almost unknown in this country, namely, the acquisition of land. If, therefore, England suffers, as some people seem to suppose, from municipal trading, then Germany suffers still more; if English industry is ruined by heavy local debts, German industry is ruined in exactly the same way. But, of course, such a view is an absurd one, and the type of person, unfortunately not uncommon on English public bodies, to whom the phrase municipal indebtedness suggests the form of debt best known to himself, namely an endless procession of unpaid bills, falls into the not uncommon mistake of confounding debt with capital. What is described as the debt of a town consists of waterworks, gasworks, electricity, land, schools, parks, and gardens, on which the lenders of the funds with which they were acquired have a mortgage, in England usually a mortgage for sixty years. It is an inevitable result of the mass demand for health, locomotion,

education of a densely packed industrial population ; and unless armed with such an equipment the modern city is as helpless as a factory without a proper capital equipment in the shape of machines

This is appreciated in Germany to an extent which is not always the case in England. And it is appreciated by almost all classes. In England municipal socialism has been accompanied by protests from the rich, and though middle-class councils have carried it forward in practice in spite of themselves, the theory has been propagated mainly by Labour and Socialist parties. In Germany the constitution of many municipal authorities is extraordinarily undemocratic. In many elections take place on the well-known three-class system, by which electors are classified and hold votes in proportion to their wealth. In all with which the writer is acquainted there is a bicameral system, the lower house doing little but grant money and criticize, the upper house consisting mainly of officials with a small number of members nominated by the lower house. Such bodies can obviously stop public enterprise if it displeases them. But it does not. For this there are no doubt several reasons. The great growth of an urban population in Germany being comparatively recent, companies with monopoly franchises have never established themselves so strongly as in England, and in gas, water, and electricity Germans are accustomed to nothing but public management.

Again, there is the character of the official element. In England the main influence in town government is a body of business men acting through salaried servants. In Germany it is a cabinet of officials, usually lawyers by profession, with an admixture of technical experts, who report to the larger body. This cabinet sits separately. It consists of men who have been prepared for their duties by a University training in law and economics. Its chief is a *Bürgermeister*, appointed for from eight to twelve years, paid a high salary, who makes his professional career by improving the town, and who normally rises from being the head of a small place to being governor of a great city like Munich, or Frankfurt, or Berlin. Such a system could not be transplanted into England. But, nevertheless, it suggests lessons which are well worth learning, and it is probable that the next line of advance is a deliberate attempt to improve the quality of our local civil

service by setting up a local civil service commission to maintain a standard of knowledge and ability.

Above all, there is in Germany a real spirit of civic pride, and a disposition to regard city government not merely as a matter of business routine, but as an instrument of culture and civilization, a real willingness to submit immediate personal interests to its welfare. The writer remembers the pride with which a German official contrasted to him English and German town policy, with the words, "We are aiming in municipal undertakings to equalize social conditions." One can hardly imagine most English councils sympathizing with the Burgermeister of a small town in Baden who justifies in his annual report the heavy expenditure on a municipal theatre by quietly saying, "We must have the theatre, for it is the most important instrument of popular culture." In South Germany, at any rate, municipal collectivism is animated by a genuine spirit of civic idealism.

R H TAWNEY.

NOTES AND MEMORANDA.

UNEMPLOYMENT INSURANCE IN GERMANY—It has come to be generally understood that the present Government intends to introduce at an early date, should it remain in office, some scheme of insurance against unemployment. This scheme will probably be national in its scope, but its details have not yet been explained.

As is now well known, Germany, along with Switzerland and Belgium, has been the theatre for some years past of certain experiments designed to provide some form of unemployment insurance, among the most important of these experiments being those initiated at Cologne, Leipsic, and Strassburg. English students of this difficult question will therefore probably be interested to have some information about the results actually obtained in these three towns. It is obviously desirable that in the event of a national scheme being introduced in this country Englishmen should be prepared to discuss it with some knowledge of what has been attempted in the same direction elsewhere.

Cologne—The Cologne "Versicherungs-Kasse" against Unemployment in Winter is a private organization supported by the municipality. Membership is, of course, quite voluntary. Every workman at least 18 years old, who has lived for at least one year in Cologne and is not permanently incapacitated from work, can insure himself at the Kasse. The weekly premium for skilled workmen is 45 pfennigs ($5\frac{1}{2}d$), for unskilled 35 pfennigs ($4\frac{1}{2}d$), and, in order to qualify for payment of unemployment benefit, 32 such premiums must have been paid by the former and 34 by the latter. Moreover, no benefit is payable until the unemployment has lasted at least three days. The amount which can then be drawn daily is two marks for the first 20 days and one mark for the remaining days of unemployment.

The maintenance of the Kasse is only possible thanks to the generous support of the municipality, various societies, and private individuals. From the municipality it has, in recent years, received annually 20,000 marks.

The funds in hand at the beginning of the year 1908-9 amounted to 136,360 marks.

The chief items of revenue and expenditure during the same year were as follows —

REVENUE	
Municipal subvention	Marks
Honorary members' subscriptions	20,000
Interest, etc	2,335
Premiums of insured	6,329
	<u>26,584</u>
	55,248
EXPENDITURE	
Administration	Marks
Return of premiums	5,485
Unemployment benefit	145
	<u>61,934</u>
	67,564

The funds in hand at the end of the year amounted to 124,044 marks — a diminution of over 12,000 marks during the twelvemonth

It will be seen from the foregoing figures that the premiums of the insured amounted, in all, to only 42.7 per cent of the total amount drawn by unemployed members in the course of the year

Of the 1957 insured workmen, 1435 were skilled and 522 unskilled, 1573 married and 384 unmarried

No less than 1481, or 82.9 per cent of the insured, reported themselves as unemployed at different times during the year, but of these only 1433—comprising 1050 skilled and 383 unskilled workmen—actually came upon the funds of the Kasse. Each drew on an average 43 marks 22 pfennigs

The following table shows the relative extent to which the 1050 skilled and the 383 unskilled unemployed respectively drew upon the fund, and it also throws some light upon the duration of unemployment among each class —

Period for which benefit drawn	Days										
	1-5	6-10	11-15	16-20	21-25	26-30	31-35	36-40	41-45	46-47	48
Unskilled workmen	34	34	36	49	42	43	43	33	26	9	34
Skilled	94	77	85	117	110	121	146	83	62	25	130
Total	128	111	121	166	152	164	189	116	88	34	164

The foregoing figures do not seem to indicate that the unskilled workmen were relatively a greater burden upon the Kasse than the skilled

The work and development of the Kasse since its foundation in 1896, can be well appreciated by a glance at the following table —

Year	Number of members	Number unemployed and entitled to relief ¹		Paid out to members	Paid in by members	
		Total	Per cent	Marks	Marks	Per cent of col 4
1896-7	220	96	72.7	2,355	1,001	42.5
1897-8	324	151	64.0	3,485	2,213	63.5
1898-9	347	144	51.1	3,343	2,445	73.1
1899-1900	256	154	68.1	4,708	2,010	42.7
1900-1	571	441	82.3	19,338	4,562	23.6
1901-2	1,205	842	76.2	30,046	12,434	41.4
1902-3	1,355	1,008	79.7	28,807	14,389	49.7
1903-4	1,624	1,164	77.5	39,915	19,772	49.5
1904-5	1,717	1,271	79.6	42,832	20,782	48.5
1905-6	1,610	1,087	74.3	23,645	21,682	91.7
1906-7	1,255	980	84.8	40,014	17,194	43.0
1907-8	1,505	1,127	81.5	48,670	20,663	42.5
1908-9	1,957	1,481	82.9	61,934	26,439	42.7

It will be seen from the above table that, taking the average over the 13 years during which the Kasse has been in operation, the yearly income from premiums is only 50.3 per cent of the yearly outlay on relief. Were it not therefore for the other sources of income, the Kasse would long ago have been compelled to close its doors.

With a view to placing the institution on a sounder basis and attracting a larger membership, the following proposals have been put forward: (1) That the premiums, instead of being of uniform amount, should be graded in accordance with the unemployment risk. It is proposed, for example, that followers of seasonal trades should pay the highest premiums. (2) That, in order to attract workmen who would be least liable to unemployment, a sort of bonus scheme should be set up. Under this scheme a workman would, after a certain time, receive back a percentage of the amount paid in by way of premium, either in the event of his leaving Cologne or in recognition of his not having come upon the fund for, say, five years.

It is also proposed that the Kasse should enter into closer relations with the trade unions—somewhat on the lines of the Ghent scheme.

Whatever the outcome of these proposals may be, it is a significant fact that the workmen of Cologne have hitherto shown but little readiness to come in and avail themselves of the facilities offered by the Kasse. On January 24, 1909, there were in Cologne 4808 workmen known to be unemployed. Of these only 14.8 per cent were found to be insured against unemployment. Consequently, the municipal

¹ *I.e.* the number of members who became unemployed in the course of the year, and were eligible for relief as the result of having paid the necessary number of premiums. The second column indicates what percentage of the number so eligible became unemployed.

outlay on relief works (Notstandsarbeiten) has not been appreciably affected by the operations of the Kasse

Leipsic—Like the Cologne institution, the Leipsic Kasse is an independent organization. From the municipality it receives nothing but the use of offices rent free. Founded through the instrumentality of a Trade Union acting in conjunction with certain private individuals, it has now been in existence nearly five years. Its operations have been on a very modest scale, as is evidenced by the following table —

Year	Number of insured	Number unemployed	Premiums	Paid in benefits
			Marks	Marks
1905-6	143	13	661	230
1906-7	171	14	740	204
1907-8	244	20	997	496
1908-9	227	38	1143	1249

The insured are divided into four classes in accordance with the estimated unemployment risk. In 1908-9, they were divided as follows —

	Premium per week	Number of members
1st class	30 pf (3½d)	87
2nd „	40 „ (5d)	30
3rd „	50 „ (6½d)	105
4th „	60 „ (7½d)	5

As a matter of fact, however, very few members really pay these premiums. Under an arrangement made with certain trade unions, the majority of the members only pay 10 pfennigs per week.

A discouraging feature is the floating character of the membership. In the year 1908-9, for example, there was an accession of 63 members, balanced by a loss of no less than 80.

The benefit paid varies from 1 mark to 1 mark 60 pfennigs per day, the actual amount drawn by an unemployed member depending on the length of time which has elapsed since he last came upon the funds. With a view to shortening as far as possible the period of unemployment, the Kasse now works in close connexion with the Leipsic Labour Exchange.

As regards the financial stability of the Kasse, it will have been noted that in 1908-9, for the first time, the premiums of the insured did not suffice to cover the amount paid out in benefits. The balance and cost of administration, however, were easily met out of interest on invested funds and voluntary contributions. Experience has also shown, contrary to the predictions of critics, that the members in a time of depression are not disposed to abuse their privileges, but are

content to utilise the Kasse in the manner and spirit contemplated by its founders

At the end of the year 1908-9, the funds in hand amounted to 19,483 marks

Strassburg—The insurance scheme here in operation is based on the well known Ghent system, *i e* it is a Trade Union organization, subsidized and, in a measure, controlled by the Municipality. Unlike its prototype, the administration is not vested entirely in the Trade Unions, but in all other respects the Ghent system is followed

At the end of 1908, no fewer than 29 Trade Unions, comprising, it is believed, all the Strassburg unions paying unemployed benefit, had become affiliated. This would mean that on January 1, 1909, 4872 persons were insured, the metal workers heading the list with 1141 members

In 1908, of these 29 Unions, only 18 came upon the insurance fund. Benefit was paid in 443 cases and to 247 separate individuals—thus showing that a number of workmen made more than one application.

The total amount, for the year, of the municipal subsidy was 3507 marks, the amount spent during the same period by the Unions being 14,327 marks, *i e* more than four times as much. This is mainly attributable to the fact that the municipal subsidy may only be devoted to assisting unemployed who have been resident in the "Stadtgebiet" (municipal area) for at least one year. The Unions, on the other hand, make no such conditions. No less than 82 per cent of those helped came on the funds during the six winter months (October—March), the average length of time for which assistance was given being 20 days, as is shown by the following table —

DURATION OF BENEFIT IN DAYS

	1-5	6-10	11-20	21-30	31-50	51-100	Over 100	Total
Metalworkers	14	9	13	6	12	4	2	60
Woodworkers	15	9	14	12	10	—	—	60
Carpenters	17	7	11	13	10	—	—	58
Printers	4	7	8	2	4	6	—	31
All members	54	36	63	39	43	10	2	247

None of the other affiliated unions furnished more than nine applications for assistance

In estimating the value of the Strassburg experiment, it must not be forgotten that its benefits are limited to skilled workmen, and that even these do not include bricklayers and masons, whose needs are supposed to be met during unemployment by the institution of relief works. On

these works the municipality spent in 1907-8 about 63,000 marks, finding employment thereby for about 1200 unemployed

It would therefore appear that the municipality spent on an average 52 marks 50 pfennigs for each man employed on relief works, as against 12 marks 66 pfennigs on subsidizing each insured workman. The wide difference between the two amounts is very significant. It may be asked, to what extent do the *skilled* Strassburg workmen benefit by the scheme? The answer for 1907 was that only 30.4 per cent benefited, as this represented the proportion of skilled workmen belonging to the affiliated unions. If we take the total male working population, the proportion insured becomes further reduced to 23.7 per cent. And it must always be borne in mind that the 76.3 per cent *uninsured* comprise workmen following just those trades in which the risk of unemployment is greatest.

Taking *skilled* workmen alone, we have seen how no fewer than 70 per cent are uninsured. Many of these, particularly those engaged in certain branches of the building trade, can, during a period of unemployment, often find work on the municipal relief works. But the majority follow trades which cannot be utilized in connexion with the ordinary type of such works. For them a prolonged spell of unemployment ultimately means recourse to charity.

It should be mentioned that, as in Leipsic, the Unemployment Insurance Scheme is worked in close relationship with the local Labour Exchange.

Conclusions—Can any useful lessons be learnt by England from the results above detailed? The answer is that it is doubtful whether we can learn from them anything very positive or conclusive.

In the first place, the experiments in question have been conducted on so small a scale and, save in the case of Cologne, for so short a time, that it is not safe to draw general inferences from the results to hand, even for German purposes. When, in addition, allowance is made for differences of social and industrial conditions, temperament, and character, their value for English purposes becomes even more dubious.

Strictly speaking, it may be said of all three schemes that they are not true insurance schemes. Certainly they are all actuarially insolvent, being bolstered up with voluntary subsidies from different quarters. Save at Leipsic, there has been no attempt to "grade" the risks of unemployment according to trades. As regards the now famous Ghent system, which, in its main features, has been adopted at Strassburg, its great weakness is that it has nothing to offer unorganized labour. And it is just this class of labour which generally suffers most acutely during a period of unemployment.

The great advantages of the Ghent system are ease and cheapness of

administration, and the experience of Strassburg seems to show that the system is one that enjoys the confidence of the working men who participate in it

Two interesting points, however, are well brought out by the German statistics. The first is that, broadly speaking, skilled workmen are as liable to unemployment as unskilled. This but confirms the result of observations by English inquirers, and incidentally helps to shatter yet another widespread popular illusion.

The second is that the German workman shows no disposition to abuse his privileges and batten on the insurance fund, in preference to trying to find fresh work. This is, no doubt, partly to be explained by the fact that the amount of benefit paid is so low that there is no great inducement for him to live on it in idleness—even if there were no such things as Labour Exchanges actively trying to find him work. In other words, the “bread of idleness” in this particular case is found to be far from satisfying by the normally constituted man. As a rule, a state of unemployment means, even for the insured workman, half rations, whereas work, despite its stress and strain, means at any rate a full stomach.

ERNEST LESSER

CURRENT ECONOMIC PERIODICALS.—Mr J. St G. Heath contributes an instructive account of the working of “German Labour Exchanges” to the September number of the *Economic Journal*, showing that “twenty years of experience in Germany has not yet hit upon the right method to be adopted in the allotment of work among the applicants who crowd the labour exchanges.” Miss D. S. Potter describes “The Movement for International Labour Legislation,” and Prof. A. C. Pigou continues the discussion of the difficulties in the way of determining “Producers’ and Consumers’ Surplus” as measured in money. There is also an important article by Prof. L. Brentano on “The Doctrine of Malthus and the Increase of Population during the Last Decades.” The writer argues that there is no occasion for the panic about over-population which was suggested by Malthus, but there is, on the contrary, a real anxiety for the future of civilized nations in regard to the low birth rates. Outside Europe, India, and Japan since her westernization, no appreciable increase of population has occurred in any other country, and in these other countries there has been little or no progress in the technical arts and in economic organization.

In the *Church Quarterly Review* for July an article entitled “The Women’s Charter” criticizes effectively some points in Lady

McLaren's manifesto, and rightly insists on the practical value of indissoluble marriages, and on the powerful influence of character and self-sacrifice. The article is unduly pessimistic concerning the usefulness of legislation for meeting economic difficulties, and limits the "real remedies for the present state of things" to "1 Emigration (with preparatory industrial training), 2 Temperance on the part of both sexes, 3 Education—religious no less than secular." Another article is a plea for the relief from existing rates of the "owners of tithe rent-charge attached to a benefice," on the ground that "they are called upon to contribute to local taxation in excess of the contribution of other citizens."

The *Irish Theological Quarterly* for July contains two articles of sociological interest. That on "The Penal Laws in Ireland during the Reign of Queen Anne," by the Rev J Henaghan, vividly depicts the nature and effects of the iniquitous legislation then in force, and the article "Socialism and the Revolution," by the Rev E J Cullen, sets out a very clever and ingenious argument from a point of view strongly opposed to Socialism that the French Revolution in fact promoted Capitalism, but that the ideas which it spread tended towards Socialism of an extreme kind.

The *Eugenics Review* for July contains an address by Dr David Jordan, President of Stanford University, on "War and Manhood," pointing out that the men who are physically the fittest are those who join the army and who, in general, cannot marry. Mr H B Binns writes on "Whitman as the Poet of Good Breeding." Dr S Herbert contends that Socialism is the most natural and powerful ally of Eugenics, and Mr J F Tocher advocates "The Necessity for a National Eugenic Survey."

The *Local Government Review* for June contains a critical supplement to the historical survey of the Exchequer Grants to local authorities, which appeared in the January number. Mr I Scholefield examines in detail the legal position of "Overdrafts to Local Authorities" and Dr West supplies an up-to-date review of the "Powers of County Councils in relation to Public Health and Housing." Municipal Finance is a topical subject to which prominence is given, and the monthly Bibliography is a very useful feature.

In the July issue, Mr G Laurence Gomme has an article on "Local Government by Legislation," in which he discusses the growing tendency to restrict local self-government, and fears that "it may be that the era of local government is passed and gone, and that in the future we

must look forward to central government administered locally" Dr Reid writes on the "Ventilation and Warming of Schools," in view of the recent demands of the Board of Education

To the number for August, Mr H R Aldridge contributes a luminous paper on "The Practical Administration of the Town Planning Clauses of the Housing and Town Planning Act" There is also an historical sketch of "Poor Relief in England," and a reprint of Dr Leslie Mackenzie's paper on the "Administrative Control of Pulmonary Phthisis in Scotland"

Progress for July has an article on "The Annual Cost of our Slums," in which some amazing figures are given Miss Maud Davies writes on "School Care Committees," and Dr Mayer contributes a short note on "Old Age and Invalidity Insurance in Austria"

There are two biographical articles in the July *Socialist Review*, one on "Robert Owen," and the other on "Cardinal Manning" as a Socialist Mr Robert Jones also writes on "The Need of Socialist Economics," and Mr H H Schloesser on "Progress and Existence"

In the *Quarterly Journal of Economics* for May, Prof C J Bullock treats of the "Separation of State and Local Revenues," taking up the position of a hostile critic towards the proposal which is being put forward without much real consideration Prof Edgeworth contributes a characteristic article on the "Subjective Element in the First Principles of Taxation," in pursuance of his controversy with Prof Seligman A M Sakolski describes the "Control of Railroad Accounts in Leading European Countries" C R Fay writes on "Small Holdings and Agricultural Co-operation in England," with the faith of an historian of co-operation and not much upon which to base it J G Thompson criticizes Prof Taussig in "Present Work and Present Wages" The Notes and Memoranda deal with the Cleveland Street Railway settlement, recent changes in Australasian laws against strikes, the decline in trade union membership, the British Trade Boards Act, 1909, and a scheme of workmen's insurance which was started in 1904 by the South Penn Oil Co, and is still in successful operation

The May number of the *Journal of Political Economy* contains a long article on the "Prices of American Stocks," which purports to find the relation between prices in general and business prosperity There is also an interesting discussion of the "Illinois Water Power Scheme"

There is a notable symposium in the June issue on the "Teaching of

Elementary Economics," to which such writers and teachers as T N Carver, J B Clark, R T Ely, and E R A Seligman contribute Mr H G Moulton seeks to discourage the development of canal navigation in the United States by describing the failure of the Manchester Ship Canal to justify its enormous cost

In the July number the scheme of the United States Immigration Commission is set forth in all its manifold operations, but no results can yet be given American Railway matters are the sole subject of the Notes on current events, illustrating the great political and economic importance of these corporations in the United States

Several interesting constitutional questions, British and American, are discussed in the *Political Science Quarterly* for June In an article on "The Income Tax Amendment," Prof Seligman argues in favour of Congress having the power to levy a general Income Tax Prof Gordnow asserts "The Power of Congress to Regulate Commerce" between the different States, including the relations "between carriers and their employees, between sellers, and between sellers and purchasers" The present anomalous "Constitutional Status of the District of Columbia," is criticized by Mr G W Hodgkin There are also articles on "The British Labour Party in 1910," and the "Payment of Labour Representatives"

The May number of the *Annals of the American Academy of Political and Social Science* is devoted to a consideration of "Stocks and the Stock Market" The papers are all by recognized authorities in the financial world, and the various types of stocks are described in detail The sources of market news, and the possibility of drawing accurate conclusions as to the future state of the stock market from a scientific treatment of trade statistics, are also discussed at some length

The July number deals with the "Administration of Justice in the United States" Almost all the contributors are or have been engaged in administering justice, or in the management of various reformatory institutions The first section is devoted to the treatment of the accused and of the offender In connexion with this, the "Third Degree," as described by certain daily papers, is declared to be a fiction of the sensation-hunting reporter In another section the management of juvenile offenders is discussed, and stress is laid on the point that the delinquent child should be treated, not as an enemy of the State, but as in need of its care and protection The use of the injunction in trade disputes, the respect for law in the United States, and defects and suggested reforms of criminal law, are also treated In the latter connexion, great stress is laid on the undesirability of permitting the

publication by newspapers of anything more than verbatim reports of the proceedings in open court

In the June issue of the *Rivista Internazionale*, Sig Ugo Guido concludes his investigation of the "Consumers' Leagues" which have been formed in America and Europe. He considers that they have proved their utility by helping to check the abuses arising from excessive competition. Under the title of "A Christian Social Capital," there is an account of how Carlo Luger succeeded in municipalizing the public services of Vienna. Other articles are on "Building Profits in Modern Cities," and the effects of compulsory arbitration in labour disputes.

Two interesting studies appear in the June numbers of *La Réforme Sociale*, one on "Dépopulation," by M. de Romilly, the other on "L'Industrie Chimique en Allemagne," by M. d'Assignies. The subjects of afforestation, the legal protection of workmen, and the temperance crusade in America are also dealt with.

The July numbers are entirely taken up with an account of the annual congress, on the subject of "Les Classes Moyennes dans le Commerce et l'Industrie."

M. A. de Lannoy writes in the June issue of *La Revue Générale* on the methods of obtaining a supply of labour in tropical Africa, and is of opinion that the climatic conditions form a permanent barrier to progress beyond a certain point.

The August number contains a sketch of "Les Étapes de la Législation Sociale en Autriche," and an account of the economic and fiscal reforms already effected in the Congo under the new régime.

The *Nationalökonomisk Tidskrift* for June contains two articles on English topics, the "Problem of Unemployment" and the "Rubber Boom." There is also an historical sketch of the origin and progress of the Danish Savings Banks during the last century.

Dr. Hans Møller has an article on "Supply Associations in relation to Capitalism and Socialism," in the June *Samfundets Krav*, arguing in favour of more democratic methods of organizing industry. There is also a discussion of the effects of education on the political vote in Denmark.

LEGISLATION, PARLIAMENTARY INQUIRIES, AND OFFICIAL RETURNS.

THE year 1802 saw the first factory legislation in England, and the example of this country has since been followed by almost every other civilized Government throughout the world. At the present day, when so much has been done for the amelioration of the conditions of workpeople, and every year sees more stringent regulations for their protection, it is difficult to conceive the state of affairs at the beginning of last century. Children of five and even three years of age were employed in factories and brickyards, women were forced to work underground, drawing heavy loads, sometimes harnessed to mules, hours of labour were excessive, sometimes as much as fifteen a day, and the hygienic conditions in which numbers of people spent the greater portion of their lives were such as would now rouse the indignation of the most hardened supporter of *laissez faire*. These facts must be borne in mind in order to appreciate fully the strides which have been made in the regulation of factories and workshops, as exemplified in the *Annual Report of the Chief Inspector of Factories and Workshops for the year 1909* (Cd 5191, 254 pp., 2s 6d), which shows not only how far legislation has advanced, but what is no less important, the steps taken to ensure that the terms of the Factory and Workshops Acts are carried out. The present volume contains the usual reports of the superintending inspectors, the principal lady inspector, the medical inspector, the electrical inspector, the inspector for dangerous trades, and the inspector of textile particulars, while the statistical tables give data comparable with those for previous years.

The only legislation affecting the factory department brought forward during the year 1909 was the Building and Engineering Works Bill, which was unfortunately crowded out by the pressure of other parliamentary business. The White Phosphorous Matches Prohibition Act of 1909 took effect on January 1, 1910, but it is gratifying to note that nearly all the factories concerned gave up the use of white phosphorous before that date. The model byelaws of the Local Government Board with regard to the methods of escape from fire in small factories and workshops have been adopted by two additional authorities, Sheffield and Leigh, making a total of twelve in all. Three codes of regulations

for dangerous trades—viz East India wool, vitreous enamelling, and electricity—came into force during 1909, and the regulations for brass casting were applied at the beginning of this year. Drafts of two other codes—one for tinning of metal hollow-ware, iron drums, and harness furniture, and the other for the grinding of metals—were referred to Commissioners for formal inquiry, and regulations have been made in accordance with their reports. Exclusive of these, there are seven codes of special rules, for white lead, yellow lead, hides and skins, bichromate works, vulcanizing of indiarubber, chemical works, and the bottling of aerated waters. The regulations to be proposed for lead smelting include the manufacture of flaked litharge, and certain other lead processes in which furnaces are used, and reports dealing with bronzing and with patent fuel are promised at an early date.

Other subjects dealt with in detail include the Report of the Humidity Committee, published in March, 1909, and that of the Committee appointed in 1908 to inquire into the employment of children on the half-time system. The latter committee made the following important recommendations: “(1) that partial exemption should be abolished, (2) that total exemption under the age of 13 should be abolished, (3) that total exemption should not be granted on the ground of previous attendance only, and (4) should be granted only for the purposes of beneficial or necessary employment, and (5) conditionally upon due attendance at a continuation class, or as an alternative (subject to the approval of the Board of Education), the passing of a standard not lower than Standard VI, (6) that children already exempt from attendance should remain so, (7) that the education sections (68 to 72) of the Factory Act should cease to apply to England and Wales.” The inquiry of the Accidents Committee, commenced in 1908, continued during 1909, and is still in progress.

The scope of local government is ever widening, and in consequence the duties of supervision with which the Local Government Boards are charged grow heavier and more complex. Questions on all points of practical administration are submitted to them from local bodies, some of which require careful consideration. The *Fifteenth Annual Report of the Local Government Board for Scotland* (Cd 5228, 324 pp., 1s 8d) gives a good general view of local administration in that country for the year 1909, including operations under the Poor Law and in connexion with the Unemployed Workmen, Old Age Pensions, Public Health, and Vaccination Acts. Last year the number of persons in receipt of poor relief was 113,259, of whom 15,547 were lunatics. Of the 97,712 ordinary poor, 82,787 or 84.73 per cent received out relief, the remainder being admitted to poorhouses. Notwithstanding all that has been attempted in other ways to cope with poverty and

unemployment, the ratio of persons receiving relief was the same as in 1890, 23 per thousand of the population. It is significant that during the same period the ratio of lunatic poor per thousand of the poor of all classes increased from 106 to 137. In 1868, the first year given, the ratio was only 42, and although more stringent regulations with regard to confinement in asylums have no doubt affected the figures of late years, yet it cannot be doubted that lunacy is on the increase among the poorer classes.

A recent addition to the duties imposed upon local bodies is that of providing employment for those who are unable to find it for themselves. Distress Committees have been appointed in most large towns, and great efforts are being made to cope with the problem. A number of schemes were submitted for the sanction of the Board, some of which at all events, have the merit of boldness. In Edinburgh, work was found for unemployed in treating about 47 acres of land at Muristoun with city refuse, and the experiment has met with marked success. So great has been the improvement to the land that rents have risen from 10s. to £4 10s. per acre. It is proposed to divide this improved land into allotments. The difficulty of making anything in the nature of relief work a financial success is instanced in the case of Glasgow. The total cost of the work done on the Palacerigg Farm Colony was £30,811 12s. 1d., while the value of the work, at contract rates, was certified at £3,437 4s. 2d., an enormous discrepancy. The Aberdeen Harbour Commissioners brought forward a scheme for the construction of a dock, the work to be carried out as far as possible by the "unemployed." The Board gave its consent, subject to certain conditions, but the Harbour Commissioners subsequently abandoned the scheme in so far as it affected "unemployed" labour.

Among the many serious problems of our industrial system, perhaps the most difficult is that concerning the future of the thousands of children turned out every year from the elementary schools. A child of poor parents leaves school at the age of thirteen or fourteen, and is placed with all possible speed in some occupation which will afford a few extra shillings to an attenuated family exchequer, without regard to the future advancement of the particular child. For two or three years he is engaged in some unskilled employment, and may then find himself thrown out of work, too old to be taken on as an apprentice in any of the skilled trades, and with no prospect but to become an item in the unskilled labour market. Social reformers are fully alive to this waste in our industrial system, and many efforts have been made to ameliorate the evil, but so far with very little success.

Of the numerous occupations into which children drift, one of the greatest, and probably the most pernicious, is that which goes by the

name of "street-trading" Boys and girls of tender years are sent into the streets of our cities and towns to sell newspapers or other light articles to passers-by, often with disastrous effects, physical and moral. The evil is a crying one, and an effort was made in the Employment of Children Act, 1903, to put some check upon the system. Local authorities were empowered to make byelaws for the regulation of street-trading by children. In England and Wales as many as 50 out of 74 county boroughs passed byelaws, but in Scotland and Ireland very little has been done. Unfortunately, except in one or two cases, no great improvement has been made, even in places where byelaws are in force, and it was felt that some further effort should be made to deal effectively with the matter. In July, 1909, a Committee was appointed by the Home Secretary "to inquire into the Employment of Children Act, 1903, and to consider whether any and what further legislative regulation or restriction is required in respect of Street Trading and other employments dealt with in that Act."

The result of the investigations of this Committee is now published in the *Report of the Departmental Committee on the Employment of Children Act* (Cd 5229, 23 pp, 2½d). The inquiry was concentrated upon street trading, and a large amount of evidence, printed in a separate volume (Cd 5230, 555 pp, 4s 6d), was brought forward. Meetings were held in London, and most of the great industrial towns of the United Kingdom, in order to get as wide a view of the subject as possible. As a result of the inquiry, the Committee strongly condemn the whole system, and their recommendations amount practically to entire prohibition. The recommendations are summarized as follows:—

"(1) That street trading by boys be wholly prohibited by statute up to the age of 17. (2) That street trading by girls be similarly prohibited up to an age not less than 18. (3) That the definition of street trading be revised so as to make it clear that the delivery of newspapers and other goods by the employees of a tradesman to regular customers is not covered by the term. (4) That the functions of Local Education Authorities should be extended so as to include the administration of the law, either through school attendance officers or officers specially appointed for the purpose, as well as the giving of advice and assistance to children at or leaving school in the finding of suitable employments. (5) That street trading cases should be heard in the Children's Court, or, failing such a court, in a court of summary jurisdiction. (6) That the penalties for illegal street trading should be revised."

A Minority Report is attached by those who, in some measure, disagreed with the recommendations of the majority. The principal point upon which disagreement arose was that of prohibiting street trading by boys up to 17 years of age. The main objections to this

proposal are “(1) The difficulty that in existing circumstances would be experienced in many cases in finding other employment, causing great hardship in some cases and in others leading to employment under conditions at least as undesirable and less subject to control, or to the very thing the proposal is intended to prevent, a life of vagrancy and crime, (2) The considerable differences existing (a) in the conditions under which street trading is carried on in different localities, (b) in the character of different forms of street trading” There is much to be said for the argument put forward by the minority, and should the recommendations of the majority be accepted and embodied in legislation, some steps should be taken immediately to organize a system for assisting young people about to leave school to find employment, which might, at all events, give them a safe footing on the industrial ladder

A question of vital importance is dealt with in the *Report of the Departmental Committee appointed to inquire into the Dangers Attendant on the use of Lead in the Manufacture of Earthenware and China* (Cd 5219, 150 pp., 1s 5d) The Committee, appointed in May, 1908, has since that time done an immense amount of useful work, the result of which is embodied in this thoroughly comprehensive report Twenty-six potteries were visited, situated in North Staffordshire, Newcastle-on-Tyne, Glasgow, and Bristol, and in addition meetings have been held on ninety-two days for the hearing of evidence and deliberation The total number of potteries subject to special rules issued at various times by the Home Office, is 550, employing in all about 63,000 work-people More than half of these people, however, are not engaged in dangerous processes, while by far the greater number of the remainder do not come into actual contact with lead, but are employed in processes in which they incur danger from breathing dust other than that of lead

There are two component parts of the manufacture of pottery—(a) the substance, technically known as “the body,” and (b) the glaze It is in the latter process that lead is used, for the purpose of an impervious layer, without which ordinary earthenware or china bodies would be useless Although evidence was submitted that a good glaze could be manufactured without lead, yet it is urged that a covering of which lead is an ingredient, is more perfect than one made by any other means, and in consequence the goods are more easily disposed of Unfortunately, however, the use of lead is detrimental to the health of the worker, and agitations against its unrestricted use have been going on for some years In the year 1896, the first in which a record was kept, 432 cases of lead poisoning occurred in the potteries of the United Kingdom This number rose in 1898 to 457, but since that time the

range of lead poisoning has been greatly diminished, until last year only 58 cases were reported. Special efforts have been made at different times to extirpate lead poisoning, but although in 1903 the leading manufacturers promised its disappearance under the rules then proposed, the number of cases did not diminish between 1901 and 1908.

It is not accurately known by what means lead is absorbed into the body, but medical witnesses generally agree that it cannot enter through an unbroken skin. Therefore it must be either by means of the respiratory or the alimentary organs. Sir Thomas Oliver and other medical men are of opinion that lead poisoning occurs partly from the inhalation of dust containing lead, but principally through particles of dust adhering to the inside of the mouth which are eventually swallowed. The illness consequent upon lead poisoning, assumes four principal shapes—colic, anæmia, paralysis, and encephalopathy or affection of the brain, but only a very small proportion of the cases end fatally, the death rate per 1000 for an average of eleven years being 1.0. The principal mischief, however, lies in the impaired general health of the lead-worker, more especially the woman-worker, who appears to be more susceptible to the baneful influence of lead than the male operative.

From evidence given by the leading manufacturers it seems impossible to eliminate the use of lead for the finer classes of articles, and the Committee have consequently directed their efforts towards the framing of regulations for the purpose of mitigating the evils attendant upon its use. Special attention has been paid to ventilation, including the maintenance of an efficient system of exhaust draughts, and drawings are given of the various hoods used in ventilation experiments. A set of regulations for the limitation of the hours of labour has been drawn up and recommended for adoption, by which women and young persons may not be employed for more than 46 hours per week, and adult males from 48 to 54 hours, according to the degree of danger attaching to their work. A system of self-inspection is also recommended, by which the occupier shall appoint some person whose special business it shall be to see that the regulations are carried out, and who shall record in a weekly register certain details with regard to prescribed questions. Altogether the recommendations, if given the force of law, should do much to alleviate what is undoubtedly a great sore in our industrial system. At the end of the volume is a memorandum by Miss Tuckwell, who did not sign the report, showing the points upon which she disagrees with the other members of the Committee.

It is far more difficult at any time to estimate the industrial output within a particular country than to calculate the amount of its foreign trade. Some sort of record of foreign trade is kept by the Customs officials, but the usual methods of estimating home industry show but

the general tendency of progress or decline, without indicating the special direction. Thanks, however, to the Census of Production Act, 1906, it is now possible to obtain statistics of the output of particular trades which, in future years, will be most valuable for purposes of comparison. *The Preliminary Tables summarizing the Results of the Returns received under the Census of Production Act, 1906*, contain the figures for the year 1907, and Part IV (Cd 5254, 77 pp, 8d) which is before us, includes details concerning the following trades—iron mines, mines other than coal and iron, copper factories and workshops; lead, tin, and zinc factories and workshops, gold and silver refining factories, wrought iron and steel tube factories, wire factories and workshops, cutlery factories and workshops, tool and implement factories and workshops, anchor, chain, nail, bolt, rivet, and screw factories and workshops, lock and safe factories and workshops, galvanized sheet, hardware, hollow-ware, tinned and japanned goods, and bedstead factories and workshops, black-smithing factories and workshops, small arms factories and workshops, railway carriage and wagon-building factories, scientific instruments, apparatus, appliances, and accessories factories and workshops, explosives, ammunition, and fireworks factories and workshops, manufactured fuel factories, railways (construction, repair, and maintenance of permanent way, plant, rolling stock, etc), and Royal ordnance factories.

The Labour Department of the Board of Trade is responsible for many useful handbooks, and none of them is more important than the *Report on Changes in Rates of Wages and Hours of Labour in the United Kingdom*, the seventeenth of which, dealing with the year 1909, has recently been issued (Cd 5324, 136 pp, 6½d). A decline in the rate of wages, commencing in 1908, continued through the greater portion of 1909. During the last three months, however, the decline was checked, and this year the tendency has again been upward. The number of persons affected by the changes, exclusive of agricultural labourers, seamen, and railway servants, the number of whom it has been impossible to ascertain, was 1,154,800. Of these 18,400 received increases amounting to £1000 per week, and 1,131,500 suffered decreases amounting to £69,900 per week. The wages of the remainder were at the same level at the end as at the beginning of the year. This gives a net reduction of £68,900 per week. In the previous year 963,000 persons sustained a net decrease of £59,200 per week. Out of the number whose wages decreased, 8500 were employed in the building trades, 9000 in iron mining, 34,000 in pig iron and iron and steel manufactures, 48,000 in engineering and shipbuilding, 150,000 in the cotton industry, and 870,000, or nearly 77 per cent, in coal mining. Changes in the hours of labour affected 562,891 persons, 3212 of whom had their

aggregate working time increased by 6399 hours per week, while 559,679 had reductions amounting to 2,398,721 hours per week. The net effect of the changes was a reduction of 2,392,322 hours. This large total was due in a great measure to the Coal Mines Regulation Act, 1908, which reduced the hours of labour for some 500,000 work-people. In the appendix will be found comparative statistics for the years 1900 to 1908.

In that bulky periodical, the *Annual Statement of the Trade of the United Kingdom with Foreign Countries and British Possessions*, of which Vol. I. of the issue for 1909 (Cd 5159, 645 pp., 5s. 2d.) is to hand, everything possible is done to give a clear and concise statement of the comparative position of British foreign commerce, and almost every year sees some improvement in the arrangement of the work. The principal innovation this year consists in the classification of imports as received from the countries whence they were originally consigned, instead of, as in earlier years, the countries from which they were shipped direct to the United Kingdom. On the other hand, exports are credited to the countries of "final destination," in the place of the countries to which goods are shipped.

The total value of imports into the United Kingdom for the year 1909 was £624,704,957, as compared with £565,019,917 in 1905, the first year given in the volume for comparative purposes. 1907, the boom year, showed a total of £645,807,942. If irresponsible people who cry without knowledge that our manufactures are departing from us would take the trouble to study these figures, they would discover something in them which should allay their alarms. By far the greatest increase in imports was in the class of raw materials and articles mainly unmanufactured, the value of which rose during the five years by more than £30 million. The next important increase was in food, drink, and tobacco, which totals £23 million more than in 1905. Lastly comes the class of articles wholly or mainly manufactured, with an increase during the same period of a bare £4 million. On turning to the exports, however, we find the position reversed. The class of manufactured articles increased by over £28 million, raw materials by £14 million, and food, drink, and tobacco by £4 million. Another fact staggering to the alarmist is to be found in the outward and inward movement of gold and silver bullion and coin. The fact that our imports always appear greatly to exceed our exports is a circumstance which probably tends more to encourage the superficial supporter of tariff reform than any other. He imagines that this great excess is draining the gold (to him the only real wealth) out of the country, and that we are slowly but surely declining to national bankruptcy. It must be puzzling for him to discover that our imports of gold and

silver also almost invariably exceed our exports of the same metals, and that last year's imports exceeded those of 1905 by £15 million. The total of specie imported during 1909 was £66,506,718, while that exported amounted to £60,034,718.

An indispensable volume to the student of practical economics is that containing *Memoranda, Statistical Tables, and Charts prepared in the Board of Trade with reference to various matters bearing on British and Foreign Trade and Industrial Conditions* (Cd 1761, 495 pp, 3s 6d). In it will be found data relating to the export trade of the United Kingdom to protected and unprotected countries, the values of manufactured articles imported and exported for a period of twelve years, the comparative prices of wheat in the United Kingdom, France, Germany, and the United States, from 1840 to 1902, with the variations in import duties on wheat during the same period, most valuable as showing the effects of import duties on prices, the consumption of food and cost of living of the working classes in the United Kingdom and certain foreign countries, the course of money wages in the United Kingdom and certain foreign countries during a period of years, and other not less useful information. The carefully executed charts are a great additional help to the student, and it would be an advantage if this method of illustration were more widely adopted in statistical blue books.

One of the many vexed points in the tariff controversy is dealt with in an effective manner in the "Memorandum on the Excess of Imports into the United Kingdom." The arguments are well known to any one with an elementary knowledge of economics, but are not so easily grasped by the layman, to whom the fact of an excess of imports over exports, coming to him from the Trade and Navigation Returns through the medium of the daily newspapers, means less work for British hands, and it is idle to bring forward such terms as "invisible exports," or to endeavour to prove that exports must balance imports, in other words, that nothing is given away on either side. A careful reading of the memorandum, however, in which the causes of an apparent excess are brought out as clearly as it is possible to do so, should illumine the dullest intelligence.

The result of recent investigations into the cost of living and consumption of food of the working classes in this and other countries is published in the reports of the Board of Trade specially devoted to that purpose, but it is convenient to include some information on the same subject in the present volume. A second series of memoranda (Cd 2337, 594 pp, 3s 6d) contains in addition to further information on the cost of living in the United Kingdom, comparative particulars of pauperism, wholesale prices of cereals, ocean freights, the incidence of

foreign and colonial import tariffs on the principal classes of manufactures exported from the United Kingdom, the course of the export trade of the chief commercial countries with protected and other markets, an abstract of the proceedings of the German Commission on Kartells, and the distribution of population engaged in the principal industries throughout the chief countries of the world

An account of proceedings for the year 1909 under the Sale of Food and Drugs Acts, the Merchandise Marks Acts, the Fertilisers and Feeding Stuffs Act, and the Board of Agriculture Act will be found in Part I of the *Annual Report of the Intelligence Division of the Board of Agriculture and Fisheries* (Cd 5172, 109 pp, 5½d) The number of samples taken in England under the first-named Act during the year was 97,985, as against 95,664 in 1908 In Scotland also the number has increased from 8827 to 9694 Special cases quoted in the report show the difficulty often experienced in deciding whether an article is adulterated or not For instance, a farmer in Essex drew the attention of the Board to the fact that he was continually being prosecuted on account of the fat in the milk supplied by him falling below the 3 per cent margin allowed in the Act, although the milk was in exactly the same condition when sold as given by the cows It was ascertained by the Board's inspector that the milk was the mixed product of some fifty cross-bred cows of the Dutch variety, which as a rule are heavy milkers, but at certain times afford milk of a poor quality A sample taken in May containing but 2.55 per cent of milk fat led to prosecution The case was dismissed, although the magistrates stated that the prosecution was justified Another case was that of a Cheshire grocer who was prosecuted for selling butter which contained more than 8 per cent. of foreign fat, but it was proved by experiment that genuine samples of butter made from the milk of the cows on the farm from whence he drew his supplies gave similar results The explanation was that most of the cows were near the end of the period of lactation, and at this time the analytical characteristics of butter are affected in a marked degree Complaints also reach the Board that magistrates, misunderstanding the law, act under the impression that to sell genuine milk which falls below 3 per cent of milk fat or 8.5 per cent of milk solids renders the vendor liable to conviction It is perhaps unavoidable that a certain amount of hardship should result from this as from most Acts, but a wise and careful administration should minimize the mistakes which arise from a law which has been so beneficial to the community at large.

The most recent information and statistics concerning proceedings under the Small Holdings and Allotments Act, 1908, will be found in Part II of the *Annual Report of the Land Division of the Board of*

Agriculture and Fisheries (Cd 5188, 288 pp, 9d) Out of the 8000 allotment authorities under the Act, 7900 made returns, but in the great majority of cases it was to the effect that as no applications had been received, no proceedings had been taken. In 1909 and the previous year, however, action had been taken in 1981 cases—1559 by parish councils, 269 by urban district councils, 152 by town councils, and one by the London County Council. Details of these are given in the appendix to the report. The amount of land held by local authorities in England and Wales at the end of 1909 for the purposes of allotments was 26,764 acres, 5687 acres of which were the property of councils, and the remainder leased. The land is let to 90,550 individual tenants, 21 associations, and one committee. It must be remembered that it is not so necessary for councils to take action in rural parishes, sufficient land usually being available from private owners, but in large towns the circumstances are different, and it is often difficult for private individuals to rent a piece of land at a moderate rate, so that it is gratifying to note that 35 county boroughs out of the 73 in England and Wales have already provided allotments.

According to the *Report on Strikes and Lock-outs and on Conciliation and Arbitration Boards* (Cd 5325, 136 pp, 6½d), there were 436 disputes during 1909, involving 300,819 workpeople, and the aggregate loss of time amounted to more than 2½ million working days. The number of disputes shows a decrease in comparison with the average for the nine previous years, but the number of workpeople involved, owing principally to the stoppage of work in several coalfields after the Coal Mines Regulation Act, 1908, came into force, was the largest since 1894, the year of the general strike in the Scottish coal trade. That there is a growing tendency to use the services of Boards of Conciliation and Arbitration is shown by the increasing number of disputes referred to them. The number of Boards has increased from 114 to 124, and the cases considered from 1842 to 1997. Of the 1997 cases 698 were settled by the Boards, and 327 by umpires or arbitrators appointed by them. Only 23 out of the 1025 cases settled involved a stoppage of work.

Among recent Acts of Parliament the following may be mentioned — The *Small Holdings Act*, 1910, providing under certain conditions for compensation to tenants on whom notice to quit is served, with a view to the use of the land for the provision of small holdings under the Act of 1908. The *Census (Great Britain) Act*, with reference to the census to be taken in 1911. The schedule of questions to be submitted includes the name, age, profession or occupation, condition as to marriage, relation to head of family, birthplace, and (in the case of a person born abroad) nationality, of every living person who abode in

every house on the night of the census day ; whether any person who so abode was blind, deaf, dumb, imbecile or lunatic , in the case of any person who so abode being married, the duration of marriage, the number of children born of the marriage, and the number of such children living , the number of rooms inhabited , and, in the case of Wales or the County of Monmouth, whether any person who so abode (being of three years or upwards) speaks English only, or Welsh only, or both English and Welsh The *Diseases of Animals Act*, which prohibits the export of unfit horses The *Mines Accidents (Rescue and Aid) Act*, providing means for rescue and aid in the case of accidents in mines The *Police (Weekly Rest-day) Act* The *Regency Act*, by which Queen Mary is appointed Regent in case of need And the *Accession Declaration Act*, which alters the form of the religious declaration to be made by the Sovereign on accession

J L DOUGAN

REVIEWS

POOR LAW REFORM VIA TERTIA The Case for the Guardians
By SIR W CHANCE, BART [95 pp 8vo 1s net King London,
1910]

ENGLISH POOR LAW POLICY By SIDNEY and BEATRICE WEBB
[379 pp 8vo 7s 6d net Longmans London, 1910]

These two books represent respectively the views of what may be called the Right and the extreme Left of Poor Law Reformers. Sir William Chance would restrict reform mainly, if not entirely, to minor administrative changes, and to securing greater administrative uniformity in different parts of the country. In particular his book is an earnest plea for the retention of Boards of Guardians in something like their present shape. Mr and Mrs Webb, on the other hand, would cure the evils inherent in the present working of the Poor Law by getting rid of it altogether, and distributing the care of the different classes for whom it provides among different Committees of the County Councils—assigning all children of school age to the Education Committee, young children, and the infirm and sick of every age, to the Public Health Committee, the aged poor and those past work to the Pensions Committee, the epileptic, the mentally deficient, and lunatics of every degree to the County Lunacy Committee, the able-bodied who are, or profess to be, unable to get work, whether vagrants, unemployable, or simply unemployed, to local unemployment authorities, which either have been or are to be called into existence. The conclusions thus reached are, of course, in both cases supported by arguments. I propose to indicate the sort of line taken by both parties, and to say a few words by way of criticism on both.

Sir W Chance prefaces his more detailed examination of Poor Law Reform by a paper read by Mr Wodehouse, C B, one of H M Poor Law Inspectors, before the S E and Metropolitan Poor Law Conference. In this paper Mr Wodehouse very properly lays it down that any effective reforms of the Poor Law presuppose a discussion of the underlying principles which should govern the relation of the State to the individual and of the individual to the State. He criticizes the Report of the Minority on the ground that they assume principles as governing these relations which he regards as inadmissible, while the Report of the Majority

contains, as he contends, no intelligible principles at all. This is, indeed, a weakness of the Majority Report, while it is no doubt an element in the logical effectiveness of the Minority Report that they assume the position that there are no limitations to the right of the community to interfere with and coerce individuals, except those which may be dictated by the convenience of the community itself. To this position taken up by the Minority, Sir W. Chance, like Mr. Wodehouse, would no doubt object, but he suffers, as does the Report of the Majority, from not having made his position in this respect sufficiently clear.

Passing this by, however, I observe that the first chapter of his book deals with the problem of the need for Reform. We seem here to have firm ground and to have reached the appropriate starting-point. A discussion of the evils alleged to exist under the present system, of their reality, and of their extent, would seem to be the indispensable prerequisite for settling whether reform is or is not needed, and what directions it should take, and I hoped to have found in this chapter such a discussion. I was doomed, however, to disappointment. Instead, we find in this and in the two succeeding chapters certain criticisms directed against the figures and statistics embodied in the Report of the Commissioners, but no detailed examination of the many charges brought by them against the existing order of things.

The same objection may be taken to the subsequent chapters in which the different items in the arraignment are considered. Is it true or is it not true that, taking the country over, the action of Boards of Guardians in granting or refusing outdoor relief is both arbitrary and perfunctory? that, when once relief has been granted and its amount determined, those to whom it is granted are left entirely unsupervised and uncared for? that the mixed general workhouse fails to provide adequately and satisfactorily for any class of inmates who are herded together within its walls? that the cost of poor relief has increased of late years by leaps and bounds without any corresponding improvement, except in the matter of nursing, in the care, supervision or comfort of those relieved? These and others are the evils alleged which seem, if proved, to make out a strong case for the need of Poor Law Reform. It is no answer to them to show, as Sir William Chance has shown, that this or that particular Board is not liable to such a charge, that in this or that well-managed workhouse the evils are very much mitigated, that here or there a system has been introduced by which some supervision is exercised over all who are recipients of outdoor relief. It is the system which is on its trial not individuals, it is the system, with respect to which the need for reform must be either proved or disproved. It is because Sir William Chance's book seems rather to have set up the plea of extenuating circumstances than to have attempted to meet the

charges as a whole, that I think it has failed as a defence of what is, and is in that respect unsatisfactory

It would seem to me the franker, the wiser, and, I would add, the more hopeful course, to admit the defects in our existing system as having been to a large extent established, and then to have considered how far they might be met by improved administration, that is, by an improved working of the machinery already in existence, or how far the machinery itself required to be modified or replaced. That much can be done, and much even is being done under Mr Burns's judicious guidance, by improved administration to meet the evils complained of, seems to me almost certain, whether in some particulars it may be necessary to modify or renew the machinery now employed is sure to be matter of controversy—a controversy which the legislature will have finally to settle, whether, above all, Boards of Guardians can be retained in anything like their present shape is already being hotly debated, and the debate looks as if it were of the kind which will last long. That if the machinery of the Poor Law is to be retained at all it must be administered by bodies mainly elective and representative seems beyond question, other elements of a more expert kind may be, and indeed should be, included, but it appears at least unlikely that the mass of Englishmen will be prepared to trust the spending of money which they have contributed, except to those in whose election they had a voice, if not a predominant voice.

On this question of the retention or abolition of existing machinery Mr and Mrs Webb speak with no uncertain sound. They would, as is well known, abolish the existing machinery altogether, break up the Poor Law, and distribute the functions now performed by what they call the destitution authority among different committees of the County Councils. In appearance the book does not aim directly at promoting this policy, in fact, every page of it, often with great skill, is devoted to the advocacy of it. The object of the earlier chapters is professedly historical, but they are all directed to exposing the indefiniteness, the inconsistencies, and self-contradictions which reveal themselves when the principles of the great Poor Law revolution of 1834 are subjected to analysis, and still more when an attempt is made to put them in practice.

Thus one "national" uniform system of relief was from the outset never established, it was never definitely settled, for instance, whether the prohibition of outdoor relief extended to able-bodied women as well as to able-bodied men, and if it extended to women at all, to what particular classes of women it did so extend. In a majority of unions again, outdoor relief to able-bodied men and their families was, by the original Poor Law Commissioners prohibited entirely,

in a minority it was permitted on conditions which varied in different parts of the country. The treatment of the sick also was from the beginning left largely to the discretion of Boards of Guardians, and varied in practice from one union to another. So, too, from the very first did the provision made for children. As time went on, the policy adopted on various points by the central authority itself also varied, the principles laid down, or supposed to be laid down, in the Act, were further departed from, and differences in their application more freely admitted. Particularly was this the case after the establishment of the Local Government Board in 1871, after which date, though there was at first a return to the stricter principles of 1834, there gradually "made itself heard a note of what some might term a sentimental, others an enlightened humanitarianism, an humanitarianism which was certainly in direct contradiction of the principles of 1834."

Thus it came about that by 1907, according to Mr and Mrs Webb—and it must be confessed that there is much truth in the contention—the principles of 1834, which embody the doctrine of *laissez faire*, had been almost entirely superseded by what our authors call "the principles of 1907," which, "embodying the doctrine of a mutual obligation between the community and the individual, may be summed up in these three viz, curative treatment, universal provision, and compulsion."

(1) The principle of curative treatment has been most fully adopted by the Local Government Board in dealing with the sick and the children. In the case of both of these classes no attempt is any longer made to deter those responsible from accepting relief for them, they are encouraged to apply for it in the hope that in this way those who accept it may be delivered from the necessity of having later on to apply for it. Prevention is in these cases substituted, as far as possible, for the policy of attempted cure after the evil has taken a real hold and become ineradicable.

(2) "But what," Mr and Mrs Webb write (p 267), "is most strikingly new since 1834, is the principle of Universal Provision, that is the provision by the State of particular services for all who will accept them, irrespective of 'destitution' or inability to provide the services independently." "We see," they continue, "this principle in most municipal action, but it impinges on the work of the Poor Law Authorities most directly in such services as vaccination, sanitation, and education." As to the growth of this principle in recent years, the most recent and notable exhibition of it being the grant of non-contributory old age pensions for all who have attained a certain age, and whose income falls below a given figure, there can be no doubt. The question whether a "universal provision" of the same kind could, and

should be extended to those who are out of work, and are desirous to obtain it, is probably the one which at the present moment is dividing social reformers the most, and it is this which is most strenuously advocated by the advanced party

(3) But as a supplement to the other two, and as an almost necessary consequence, comes in the principle of "compulsion" If the State is to prevent or to cure the evils from which the lives of its citizens are bound to suffer, it is indispensable that it should retain in its hands the power of compulsion If, for instance, education is so great a good that the State is justified in providing it for all citizens by means of enforced taxation, whether they like it or no, then the State cannot afford to let its citizens decide whether they will accept the boon or not So education made universal necessarily became compulsory If, again, the State attaches such importance to the proper rearing of children that it provides doctors and midwives for all mothers together with instruction as to the way in which children when born are to be nurtured, it is inevitable that compulsion should soon be brought to bear on parents to accept the boons which the State provides, and that it will be made a punishable offence for them not to avail themselves of them Obviously the same applies, and will increasingly apply, to measures taken for the prevention of disease, vaccination against small-pox is already compulsory, as well as gratuitous, and we may be sure that prophylactics against other forms of disease will soon be made so So above all in the case of unemployment, if the State undertakes to provide in any shape employment for all, it is inevitable that compulsion will have to be brought to bear on those who are either not inclined to work at all, or are not inclined to work at the particular kind of task which can alone be found, or can be provided, for them That this is the inevitable result of the extension of State interference all readers favourable to such interference are bound to recognize as fully as do Mr and Mrs Webb themselves The question in this sphere at any rate, but really in all spheres, is one between direct and indirect compulsion If the indirect compulsion of starvation be abandoned, direct compulsion of another kind must take its place This must be clearly borne in mind by those who are inclined to favour the establishment in our midst of a socialistic state

But, meanwhile, the great spread and partial adoption of these three principles, combined with the existence of a Poor Law framed on quite different ones, have led, as our authors are careful to point out, on the one hand, to the withdrawal from the cognizance of the Poor Law of large classes of persons with whom it was originally intended to deal, on the other hand, as a consequence of this, they have also led to a great overlapping of authorities The Education Act, and the feeding of

necessitous children which has followed from it, has withdrawn from the cognizance of the Poor Law, and handed over to the Education Authority a host of necessitous children, over 50,000 in London alone. Many sick persons who are practically destitute are taken over from the Poor Law and provided for either in their own homes or in rate-supported hospitals by various local authorities, under various Public Health Acts and powers granted by them to municipal authorities. The care of many "destitute" lunatics, feeble-minded persons, and epileptics is undertaken by the county and borough lunacy authorities, and it is now proposed that the treatment of all such persons should become a matter for these authorities under general State regulation and control.

The Pension Committees make a provision which is independent of the Poor Law for a large number of indigent persons in their old age, and it is hoped that when the Pension Law has come into full operation, very few of such persons will be left in charge of the Poor Law. Lastly, those who are rendered destitute by being out of work are many of them withdrawn from the Poor Law and handed over to the care of Distress Committees, and other unemployment agencies.

Is it, then, worth while, as the Majority Report recommends, to keep up a separate "destitution" authority for this comparatively small and fast diminishing minority who are at present left to it, and to incur all this duplication and overlapping of authorities which result from its retention? Would it not be better, and more logical, to break up the Poor Law, and to hand over those at present relieved under it, to the different committees under whose charge they already partially come, and thus establish a system which shall be at once coherent and practically effective? To enforce this conclusion by every argument from history and logic which it is possible to command is the ultimate object of this book, and the task, it must be admitted, has been performed with no little ability. The counter case, I fear, will hardly be found in Sir William Chance's little work. Yet I am convinced that a counter case there is. To state it is too serious a task for the end of a review already too long.

W A SPOONER

LATTER DAY PROBLEMS By J LAURENCE LAUGHLIN, Ph D,
Professor of Political Economy in the University of Chicago
[302 pp 8vo Scribner New York, 1909]

Professor Laughlin is probably best known in this country through his connexion with the now half-forgotten bimetallic controversy. He was one of the comparatively small number of English speaking

economists who were throughout opposed to all these projects for the "rehabilitation of silver" that were so famous in their day. The very completeness of the victory of the gold monometallists has tended to obscure to the rising generation the memory of the service that they rendered both to economic science and to business policy. Professor Laughlin's work in connexion with the monetary question, too, it must be said, has had a very special bearing on the solution of the great problem of the adaptation of the gold standard to the uses of silver or paper employing countries. Before 1898 it seemed to be universally believed that the gold standard could not be adopted by any country unless that country was prepared to announce its readiness to pay out gold at a fixed rate in exchange for all the coined silver that was offered to it, and, consequently, it was held that it was useless for India to think of fixing the value of the rupee in gold until a large gold reserve had been accumulated. The Indian Government of the day suggested a reserve of £20,000,000. The rupee has been fixed at 1s 4d however, and has remained unshaken at that figure to the present moment, without a shilling of reserve having been accumulated to begin with—though a large reserve has of itself grown up since—and without any liability to pay out gold for silver at a fixed rate having been undertaken by the Government of that country. All that was done, as we know, was to open the mints to the free coinage of gold—they had long been closed to silver—and to make both the coined gold and the coined silver legal tender in all payments at a fixed ratio to each other—that of 15 to 1—thus leaving it open to the Government as well as to every one else to make such payments as were demanded of them in either medium. The Indian solution of the problem too has been followed with success by the United States Government as regards the Philippines, and by Argentina as regards her depreciated paper. We shall probably some day see it followed by China.

How is it then, it may be asked, that the anticipations have been falsified of those who regarded as inevitable the alternative course of incurring the great liability involved in the undertaking to pay out sovereigns in exchange for rupees to all who demanded them? The answer is to be found in the fact of the *quasi redemption*, as it has been called, of the silver by its acceptance at a fixed ratio to the gold in the collection of the revenue, a principle first expounded and emphasized by Professor Laughlin in his *History of Bimetallism in the United States*, and subsequently dwelt on further by him in his communications to the Indianapolis Monetary Convention. He there showed that it was owing to its operation and to that alone that the American silver and silver certificates had been maintained at a parity with gold. They

are so maintained indeed to this day. In his recent volume he has occasion to remark (p. 284) that "As yet redemption in gold as against silver is largely a matter of the personal choice of the executive." It has never been made obligatory by statute, a fact that, while it is not to the credit of the United States Legislature, is well worthy of note as regards its bearing on monetary theory.

The sentence above quoted is from one of the most valuable of the papers in the present volume, "*Government v Bank Issues*." It is a paper that might well be commended to the perusal of our compatriots in the Commonwealth at the present moment. With the aim of raising a few millions of loan money free of interest they are entering on the highly questionable path of Government issues. In 1862 the United States Government did the same. The ultimate result, as Professor Laughlin shows, has been a loss to the Union of about £100,000,000 "in the creation of additional debt due to higher prices, speculation, and the diminished amount received for bonds due to a damaged credit" (p. 282). It is a very remarkable fact that Government issues, with the danger that always attends them of ultimate depreciation, should be so continually a favourite policy of the Labour interest. Whoever may gain by depreciations of the currency the wage earner assuredly stands to lose. The uniform experience has been that in such conditions the prices of the necessities of life mount rapidly and conspicuously, while wages follow only very tardily in their wake. The working man might as well vote for the direct reduction of general wages as for a policy that involves a danger of monetary inflation.

In another interesting paper, "*The Depositor and the Bank*," Professor Laughlin assails a project which has gained much favour in the newer western states, and has even been embodied in the legislation of some of them. It is one for making more secure the position of depositors in all banks by making the whole body of bankers insure against loss the whole body of depositors, that is to say, by making the well and carefully managed banks guarantee the solvency of those whose business is conducted in a reckless and speculative fashion. The project appears to have had Mr. Bryan's patronage. It is one of those that seem to flourish in the congenial soil of the United States; and it is pleasant to reflect, by comparison, how impossible would be the flotation of such projects among ourselves.

The papers mentioned are the two concluding ones in the volume. The earlier papers deal less with monetary and more with sociological questions. It may be said of them generally that the writer shows himself cordially sympathetic with the aims of the "advanced."

parties in America, but thoroughly sceptical as to their prospects of achieving useful results on their present lines

WILLIAM WARRAND CARLILE

CHRISTIAN IDEAS AND IDEALS An Outline of Christian Ethical Theory By R L OTTLEY, Canon of Christ Church and Regius Professor of Pastoral Theology in the University of Oxford. [400 pp 8vo 7s. 6d net Longmans London, 1909]

This book, as the author explains in his preface, is based upon a course of lectures addressed to candidates for the ministry, on "The Outlines of Christian Ethics" It therefore does not claim to be an exhaustive treatise on the science of Christian conduct, and contents itself with indicating the main problems and endeavouring to stimulate interest in the study of a great subject When the aim and scope of the book is once realized, the reader will not be disposed to complain of the cursory treatment bestowed upon many complicated problems, but will, on the contrary, be grateful to Dr Ottley for a book at once interesting in content, graceful in style, and abounding in suggestive hints and challenges to thought

The guiding motive which binds together the various discussions is to be found in the desire, indicated by the title of the book, to illustrate "the vital connexion that subsists between the moral *ideals* of Christianity and its characteristic *ideas*", in other words, to exhibit Christian morality as flowing naturally and necessarily from Christian doctrine, and so, incidentally, to vindicate Christian doctrine from the charge of being a mere barren metaphysic To explain at length how the task is accomplished would require more space than is at my disposal, besides being unfair to the author, but one point may be specially noticed, in which Dr Ottley's discussion seems peculiarly illuminating

This is the emphasis laid upon the conception of Christianity as "Life," rather than "Law" The legalistic and juristic instincts of Western theologians have always tended to make them conceive of Christianity as the "New Law," in contradistinction to the Old or Mosaic Law, differing from it in respect of content, but analogous in form—imposing, that is to say, a different set of commands, but none the less the same in essence as a definite code of ritual and ethical regulations imposed *ab extra* upon the soul of man From this fundamental misconception is derived the over-elaborate casuistry of the modern Latin Church, with its cast-iron scholastic forms, its craze for defining everything in heaven and earth, and the undue responsibility which it attaches to the office of director

In contrast to this legalistic view Dr Ottley emphasizes the Pauline conception of Christianity, not as the imposition of a Law, but as the imparting of a Life—a conception which is the heart of the argument developed in the Epistle to the Romans. When this great idea has once been grasped, it is clear that Christian conduct is a matter not so much of painful compliance with an external code as of joyous self-surrender to the new life implanted in the Christian believer, to the “Christ which liveth in” him. It follows that casuistry, or the analytical classification and evaluation of acts and motives, is not the be-all and end-all of Christian ethics, but at the most a *pis-aller*—it may be, and doubtless is, a necessary part of the equipment of the pastor who has to deal with souls as they actually exist, clouded with ignorance or warped with sin, but its true function is really to abolish the need for its own existence. It is much to be wished that those amongst ourselves who are charged with the work of direction and at present are tending to rely too exclusively upon Latin works of moral theology would peruse Dr Ottley’s pages, and it is still more to be desired that some English theologian would give us a really great work on moral theology, written from the standpoint of St Paul, rather than from that of Tertullian and the schoolmen.

The same great conception of our religion as Life rather than Law is used by Dr Ottley to shed light upon the vexed question of the relation of Christianity to economic problems. It is just because Christianity is not a legal code that it has no cut-and-dried solution for economic difficulties. If it were a Law it might very well appear in the political arena as a definitely socialistic or individualistic theory; but inasmuch as Christianity is first and foremost a Person and a Life, Christians are bound to assume that the social problem must be solved in the main by psychological and ethical rather than economic or political methods. It is a true instinct, though perhaps not very congenial to the modern mind, which has led the Church to devote herself rather to the spiritual regeneration of the individual than to the structural reform of the State.

The foregoing remarks are a brief and necessarily inadequate attempt to indicate what appears to me to be the most valuable line of thought in the book. There are, doubtless, openings here and there for criticism; for instance, the author, in his anxiety to disclaim the crude popular view which regards prayer as chiefly or entirely petition, seems unduly to minimize the function which petitionary prayer always must fulfil in intercourse with a personal Being. “In prayer we do not seek to *change* the purpose of God, but to understand, embrace, and fulfil it” (p. 218). The “only purpose” of prayer is “to bring the heart and will of

man into accord with the Divine will" (p 219) But if prayer is only valuable because of its subjective efficacy upon the praying individual, it is difficult to defend it against the charge of being merely a subtle form of self-hypnotization However, we must not forget the necessary limitations of space under which the author writes, in a summary treatment of the question it is perhaps impossible to balance the subjective and objective effects of prayer together or to indicate with completeness their mutual relation On the whole, therefore, we have to thank Dr Ottley for a valuable and stimulating book, not the least interesting part of which is to be found in the footnotes and appendices with their numerous citations, from authors ancient and modern, Patristic and classical, forming a veritable treasure-house of "things new and old"

N P WILLIAMS

THE STRENGTH OF ENGLAND By J W WELSFORD, M A
[xviii, 362 pp Crown 8vo 5s net Longmans London, 1910]

To the consideration, and more especially to the criticism, of this book, the reviewer must approach with considerable diffidence *The Strength of England* was written during the last illness of its gifted author Mr Welsford was unable to revise his manuscript for the press, or to insert definite references to his authorities, he was not able to complete, even in an unrevised form, the scheme upon which he had embarked But it is not only for considerations such as these that the reviewer must make allowance He is also brought face to face with an almost religious enthusiasm, before which faith seems more becoming than criticism The author is an imperialist and tariff reformer of the Birmingham school, and he addresses to British free traders an *envoi* which runs as follows —

"Brothers, I come, a spirit from the dead,
To tell the tale of England that I knew,
If you are doubters, pray forgive what's said
In praise of England You are English too."

"The essay," says Dr Cunningham, in an interesting preface, "has double importance because it is a valuable contribution to the economic interpretation of English political history . Mr Welsford has examined the commercial relations of England—the dominant feature in the economic life of an island realm—and has endeavoured to show how changing commercial relationships affected the owners of English resources and the industrial population respectively We are thus helped to understand how the economic interests of different classes

in the community tended to bring about the formation of parties, and to influence their attitude in political questions "

Readers of Mr Welsford's previous book *The Strength of Nations*, will find a strong resemblance between it and the work under review. They will find the same wealth of historical illustration, the numerous *obiter dicta* of the avowed partisan, the same uneasy style, though in this work they are not assisted, as in the former, by the division of the narrative into numbered paragraphs. *The Strength of England* is merely a history of England written with a view to illustrating the defects of free trade, and the benefits of protection and colonial preference. True, the term "colonial preference" does not occur in this book, but we are told "The sentimental bond of a common rule which linked Normandy to England proved too weak to stand the wear and tear of time, while the commercial union of England and Flanders increased in strength until the English learned to weave." When the English had learned to weave, and the only market for Flemish goods was France, the entire position was changed. "Without irresistible necessity," said Machiavelli at this time, "the Flemish will never have any controversy with France." Again, the final union of Scotland with England was only brought about (so thinks Mr Welsford) when the Scotch found a better market for their wool in England than in Flanders. In the seventeenth century a preference was given by England to Irish linen. "This economic bond has knit Ulster to England, though, in the past, the Presbyterians of the North of Ireland suffered as much from religious intolerance as Catholics in the South."

Numerous illustrations are given to show that industry is more valuable than commerce, that the protection of inland trade and of primary industries is of the first importance. The decline of Spain and of Antwerp is attributed to the neglect of home production.

Another illustration is drawn from Italy. "Before the end of the fifteenth century, Florence, thinking herself secure in her monopoly of alum, adopted the policy of free importation. Cheap rough cloth was carried from England to be finished in Florence. The rich Medici grew richer, whilst the weavers starved. Meanwhile England increased her hold over the primary industry of weaving, and waited in patience for the secondary industries which were bound to come to her."

The Dutch Republics, "ruled by merchants who thought only of buying cheap and selling dear," afford to Mr Welsford frequent illustrations of the foolishness of such a policy. "The Dutch employed their sailors in opening up trading stations in the East and West, whilst England used her sea power to found colonies, and create markets for her products." "To the Dutch colonies traders went to buy cheap

and sell dear, to the English colonies settlers emigrated who intended to build homes."

It is an objection frequently taken by the historical economist against his colleagues with more deductive tendencies, that the deductive school apply as normal to past ages the principles which they have deduced from observations of the modern business world. A perusal of Mr Welsford's book leads me to think that the historical economist may easily fall into the same logical error, and in a much more headlong fashion. Surely it is less misleading to apply wrongly a general principle than to argue from one or two isolated masses of facts, with no attempt whatever to show that all the circumstances correspond to the particular mass of facts which is being investigated? Let me take an example from Chapter XIX of the present work. "Free trade economists argue that to produce cheaply raw materials and instruments used in manufacture should be imported duty free. The Elizabethan English prohibited the importation of wool-cards. According to the free trade theory English cloth-making ought to have been injured by the statute prohibiting the importation of foreign wool-cards, but, in fact, England before long made not only the best cloth but the best wool cards. This ounce of fact is worth tons of theory." In the opinion of most readers, I think, this ounce of fact, without any theory to explain it, will be worth just nothing at all, and, even with a theory to explain it, will not be worth very much, for who can be sure that cause and effect have been correctly isolated?

Again, it seems to me that Mr Welsford in his anxiety to find economic motives for political movements tends rather to assign excessive importance to such motives. Dr Cunningham rightly points out that though "the force of economic interest, as we know it, has [doubtless] been a *vera causa* in the political changes of bygone times, it can never be easy to take such account of the conditions as to recognize in retrospect what were the precise interests, immediate or ultimate, of any class of the people in any particular part of the country, it may be still more difficult to see how far they were conscious of these interests, and had a definite policy." In spite of this want of proportion, however, Mr Welsford will have done good work if he induces other students to pay more attention to this line of investigation.

D. A. BARKER

THE ENGLISH FACTORIES IN INDIA, 1630-33 By WILLIAM FOSTER [xl, 354 pp 8vo 12s 6d net Clarendon Press. Oxford, 1910]

The present volume contains a further instalment of the invaluable letters from India, which are gradually bringing to the light of day the

beginnings of the English connexion with that country. The letters no doubt throw welcome light on the history of Indian trade, but there are other aspects from which they are no less valuable.

It is a common charge that famines have grown in frequency and intensity under the English rule, and even those who defend the British Government, regretfully admit that the safety of the British *régime* may produce a population, the very size of which makes it more sensitive to attacks of famine. It is therefore interesting to read what a famine could be, before the intrusion of the British official. A Dutch factor wrote in October, 1631: "After our departure from Batavia we arrived at Suratt on the 23rd. And going ashore to a village called Swalley, we saw there many people that perished of hunger, and whereas heretofore there were in that town 260 families, there was not remaining alive above 10 or 11 families. And as we travelled from thence to the City of Suratt, many dead bodies lay upon the highway, and where they died they must consume of themselves, being nobody that would bury them. And when we came into the City of Surat, we hardly could see any living persons, where heretofore were thousands, and there is so great a stench of dead persons that the sound people that come into the town were with the smell infected, and at the corners of the streets the dead lay 20 together, one upon another nobody burying them. The mortality in this town is and hath been so great that there have died above 30,000 people."

But, if in this respect there has been, at least, some improvement, in another, the contrast between the seventeenth century and now is much more startling. It so happened that the present reviewer approached these letters after reading the privately printed life of a noble young Scottish Indian Civil servant, one Thomas White, who died at the age of 24, after having done excellent work in connexion with Agricultural Banks. White was evidently an exceptional man, but what is noteworthy is his cordial admiration of and belief in the men with whom he was brought into contact, the men "who had given their best to India, and are still giving it amid increasing difficulties." From such a record as this, turn to the story of the first English residents in India, with their bickerings, their persistence in the practice of private trade, and the low moral tone that was apparently general. We find one Richard Boothby alleging, among other savoury accusations, that it was not uncommon for factors to lose at dice three years' salary at a sitting. According to him "morosity, envy, maliciousness and cruel tyrannical usurpation by superiors over their inferiors" were the usual behaviour, and it is surely suggestive that the President and Council at Surat found it necessary to issue the following regulations —

"1 That whosoever shalbe knowne to remain out of our house the whole night shalbe amerced to pay 40 shillings to the pore

"2 That no man shall neglect coming to prayers upon the forfeiture of halfe a crowne .

"3 That if any be heard to abuse the sacred name of God by swearing and cursing (a vice too frequent) he shall instantly pay twelve-pence for every othe or curse

"4 That what man soever shall appear to be drunck shall be punished by the payment of 2s 6d

"5 Moreover complaints being often brought unto us of our mens strikeing and abusing divers people that have no relation to our service, whoso offends hereafter in the like kind shall suffer three daies imprisonment in irons

"6 The delinquent, being convicted by two witnesses, shall streitway obey the tenour of these injunctions, which, if he dares to refuse, he is to remaine at our censures to receive further punishment as the cause shall require "

The simple truth was that the East India Company did not pay their employees a living wage, and, in the absence of motives such as those of the missionary, you cannot get good service without paying its proper price. One of the factors naively wrote that he "understood that the Company allowed a certain licence to their servants, and that the covenants were not to be taken too literally. Otherwise he would not have dreamt of going to India for £100 per annum." Well might President Wylde and his Council admit that "it would be a matter of more difficultie to advise you the names of such as are not private traders than of those that are. All in generall may bee said to doe something more or lesse. Every man must live."

Apart from the light thrown on the manners of the time, and we may note, in passing, that the revelations made of native rule are generally revolting, the volume is of interest, as containing an account of the attempt made in 1633 to establish a permanent factory in the Bay of Bengal, of the negotiations, which preceded the peace of 1635 between the English and the Portuguese in the East, and of the constant suspicion and dislike of the Dutch, of which that peace was in great measure the outcome.

We have on previous occasions borne witness to the excellence of Mr Foster's editing, and assuredly industry and learning were never more closely wedded with brevity and common sense

H E EGERTON

PEOPLE'S BANKS By HENRY W WOLFF [ix, 587 pp 8vo
6s. net King London, 1910]

This is the third edition of a work which was first put before the public seventeen years ago, and of which a second edition was published in 1897. Since 1893 the book has more than doubled in size, Austria, Hungary, and India have attained to the dignity of separate chapters, and most of the matter has been newly written. In addition to these improvements the book has been made more valuable by the appearance of a companion volume in which the underlying principles of co-operative credit are discussed and explained in a most interesting manner. Just as the Webbs' *Industrial Democracy* lightens up the pages of their *History of Trade Unionism*, so the somewhat figure-burdened *People's Banks* is vitalized by the fascinating analysis of *Co-operative Banking*. I would advise all readers who come to Mr Wolff's books for the first time to take up these two books together, and to study them alternately chapter by chapter. If they do so I can promise them an adequate knowledge of, and a lasting interest in the subject of co-operative credit.

To criticize the subject matter of, or the judgments expressed in the work under review would be almost presumptuous. In the realm of co-operative credit Mr Wolff occupies a position of authority which is unparalleled by any other person in any other branch of applied economics. He is a well-known figure at Continental congresses, he has done much to shape the institution and growth of credit banks in Ireland, India, Canada, and America. His advice is sought all over the world. *People's Banks* is the most complete work on the subject in any language. But with regard to the arrangement of this book I will venture upon two criticisms. First, it would be convenient, where references are made to systems existing in countries other than that under description, that a note should indicate the pages where such systems are described. Secondly, many pages are overburdened with statistics which might well be relegated to a table at the end of the chapter. The pages devoted to Austria and Hungary, for instance, are rendered almost repulsive by the mass of statistical information which they contain, whilst the two chapters given up to Italy, which contain few figures, are in my opinion the most fascinating portion of the book. The figures will be out of date in a few years' time, the description of the "Catholic" bank of Gambarare, or of the village bank of Loreggia, will be of lasting importance—a perpetual stimulus to the reader to go and do likewise. We hear of "such and such an one in the parish, the tenant of a farm—he had it still—of about twenty acres. It was wretchedly neglected. Everything was pawned, and the only person who got anything out of it was the usurer. The man joined the bank, but the bank was at a loss how much it might trust him with.

It advanced him £4. That sufficed to stop the hole The *quasi*-bankrupt of ten years before then had his farm in tolerable condition, he had six beasts of his own, and £60 laid by in the Savings Bank." With respect to the other type of Bank we read that the Bank of Milan was founded by M. Luzzatti, in 1866, with a capital of £28. It now possesses a paid-up capital of £400,000, keeps deposits to the extent of £5,000,000, and savings of £1,400,000. Its annual turnover in 1909 was £107,000,000, and its management expenses less than £20,000.

Similar accounts of success come from other countries. "The Dutch, the Fins, various new families of Slavs, have made co-operative credit their own, and in a wider sphere likewise Mahomedans and Hindoos of India, who—with their 2,008 Co-operative Banks already established within the brief term of four years since the Co-operative Act came into force—are beginning to defy the *mahajan* and to tempt hoarded gold out of its unprofitable concealment into more fructifying employment. Canada has adopted co-operative credit and set us British a stimulating, though at the same time also a shaming example. Its first offshoots have already penetrated into the United States. Even Cyprus is moving on the same track, and Egypt is preparing to do so."

Why should Great Britain—the country in which co-operative credit, under the guise of the Scotch cash credit system, had its first beginnings—lag so far behind the rest of the world in the development of these beneficent institutions? The need for them, so says Mr. Wolff, is great. The Scotch cash credits never extended to the very poor, and the system is now showing marked signs of decay. In England the absorption of the private banks by the great joint-stock institutions has often deprived the farmer of that accommodation which the local bank was willing to afford him. Credit is urgently needed for agriculture, yet the necessary steps are not taken to supply it. For this state of affairs Mr. Wolff gives us no good reason. Our laws, he suggests, are not as favourable as they might be to co-operative banks. Such banks, he says, cannot become corporate societies, they cannot safely assist at the formation of central banks, they cannot combine trade with banking. These points are dealt with in Lord Shaftesbury's Bill to facilitate the formation of thrift and credit banks, which was drafted under the instruction of Mr. Wolff.

On the other hand, Mr. Stuart Sim, Chief Registrar of Friendly Societies, maintains that the difficulties encountered by Mr. Wolff are imaginary, and that his Bill is unnecessary, inasmuch as all it is proposed to effect thereby can now be effected under the Friendly Societies Act. We are therefore driven to conclude that the slowness of the development of co-operative credit in Great Britain is due to causes more

fundamental than the mere unkindness of the law. There seems to be no reason why banks similar to those started by Schulze in Germany, or by Luzzatti in Italy, should not find a *clientèle* in the urban districts of England, or why the simpler organizations of Raiffeisen or of Wollemborg should not meet with success in rural districts where small holders are numerous. But, on the other hand, there are many English villages where the scope for any sort of bank is very small. Look, for instance, at the list of loans granted by the rural bank of Gambarare, with the object of each, as set forth on page 347 of the book under review. If loans for similar and allied objects were to be offered in an English village of the type of that in which I write, not one-third of them would find a borrower. The rustic labourer with little or no land has not much use for credit, the big tenant farmers are too scattered to organize the supply of the credit which they need.

With regard to this latter point special attention may be drawn to the case of the graziers of the Nièvre quoted on p. 66. One great hindrance to the development of co-operative supply societies amongst large farmers may be found in "dealer's credit". A farmer who owes his dealer large sums cannot leave that dealer. The only remedy for such a state of affairs is the foundation of a credit association. Thus in Italy a group of farmers will join, or form, a co-operative bank which opens to each member of the group a cash credit. That credit, or part of it, the member assigns to his group, which thereupon opens to him a corresponding credit for the purchase of the articles in which it deals. He may make use of such credit or he may not. If he does not, he will have nothing to pay. By this ingenious plan each farmer is able to use part of his credit to pay off the dealer, and part to found a co-operative supply association which will enable him to buy at cheaper rates, and so to get rid of the debt which he has contracted to the bank.

We owe much to Mr. Wolff for the indefatigable energy which he has so long devoted to the cause of co-operative banking. I can only hope that this, his latest effort, will meet with the success which it deserves.

D. A. BARKER

HOUSING REFORM. By LAWRENCE VEILLER [xii, 213 pp.
\$1.25. Charities Publication Committee. New York, 1910.]

This book is one of the publications of the Russell Sage Foundation. The author, we are told, "has made a lifelong study of this subject. As a settlement worker in New York he acquired an intimate knowledge of how the wage earners of that city live. He was secretary and practical

director of the Tenement House Committee of the New York Charity Organization Society when it was first organized in 1898. He became secretary of the New York State Tenement House Commission of 1900, which drafted the present Tenement Law for cities of the first class. And as First Deputy Tenement Commissioner during the two years after the Department came into existence he had a large part in the initial enforcement of that law. From an author of such wide experience one might expect an interesting and practical work, and in this expectation the reader of Mr. Veiller's little book will not be disappointed.

Neglect and greed, says Mr. Veiller, are the components of the soil in which thrives best the noxious weed of overcrowding. In New York, owing to sixty years of neglect, the congestion of human life has reached a degree unknown in any other city past or present. There the working population is housed "in tall tenement houses extending up into the air fifty or sixty feet, and stretching for miles in every direction as far as the eye can reach." Over two-thirds of the people live in multiple dwellings. Houses to the number of 80,000, sheltering nearly 3,000,000 people are so constructed as to be a standing menace to the community in case of fire. Insanitary conditions are rife. How are other cities to prevent the growth of similar evils? Model tenement enterprises, whether run on charitable or on business lines, are disapproved of by Mr. Veiller as tending to divert the energies of public-spirited citizens from a fruitful to an unfruitful field. Speaking of New York, he says "During [the last] forty years, through the efforts of philanthropically inclined persons, there have been built in the Borough of Manhattan 25 groups of model tenements providing accommodation for 17,940 persons. In the same period of time the speculative builder has built approximately 27,100 tenement houses, most of them of a very objectionable type. In these buildings are housed over one million and a quarter of people. In other words, for every 13 people who have been provided with model tenements, 1000 others have been compelled to live in insanitary ones." Had the Housing Law of 1901 been in force during this period every house built under its operation would have been equal to the best model tenements. It is, therefore, from the enactment of Housing Laws (where such do not exist) that the greatest good is to be expected. The municipalization of tenements, though it has met with success in Germany, will not, thinks Mr. Veiller, be equally successful in America, owing to political conditions and the greater heterogeneity of the population.

Given that the best instrument of housing reform is a housing law, we have to consider what provisions such a law should contain, and in what manner its enactment and enforcement may be obtained. A housing law, Mr. Veiller points out, should above all things be simple

in phraseology, it should leave very little to the discretion of the executive officials, and it should never set standards lower than those actually adhered to at the time the law is enacted. But legislation must, as a rule, be preceded by agitation, and agitation must be based upon facts. Accordingly Mr Veiller devotes one chapter to "The Essentials of a Housing Investigation."

With regard to the enforcement of the law when enacted we can find much interesting advice in Chapter XI, perhaps the best chapter in the book. Inspection of tenements upon the complaints of private persons, says Mr Veiller, is unsatisfactory. Monthly inspections by officials of the Health Department would be the ideal method. This Department also should have the right to vacate houses that are unfit for human habitation. The staff of the Health Department should include a solicitor, if possible with no other duties, and a photographer. "One good photograph may often accomplish as much as a law suit. Nothing will bring an owner so quickly to terms as the sight of a series of photographs of the conditions in his house." The responsibility for insanitary and dangerous conditions should always be centered upon the owner. This may seem unfair, but it is the only practicable plan. In practice, says Mr Veiller, it is not generally the occupied rooms which are most dirty, but the public parts such as staircases and landings.

Since in general the enactment of a Housing Law must be preceded by a certain amount of agitation, the author devotes chapters to the methods of arousing public opinion, and of bringing that opinion to bear upon the legislature. The latter chapter is written with reference to American political conditions and will be found amusing, rather than instructive, by English readers.

The chapter headed "The Field of Private Effort" should be found very useful. On the whole, I can recommend this book to all who are interested in housing questions or who wish to become so. The book is very short, and well printed and bound.

D A BARKER

